



**JOHNSON COUNTY, KANSAS**  
**CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY (CARES) ACT**  
**COMMUNITY DEVELOPMENT BLOCK GRANT COVID-19**  
**CDBG-CV3**

**Application Handbook**  
**CDBG-CV3 PROGRAM YEAR**  
**JANUARY 21, 2020 – AUGUST 31, 2023**

**COMMUNITY DEVELOPMENT**  
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<https://www.jocogov.org/departament/community-development/community-development-block-grant>





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**JOHNSON COUNTY, KANSAS**  
**CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY(CARES) ACT OF**  
**2020**  
**COMMUNITY DEVELOPMENT BLOCK GRANT COVID-19 (CDBG-CV3)**  
**PROGRAM APPLICATION HANDBOOK**

**PART 1**  
**INTRODUCTION**

The intent of this handbook is to provide information about the Johnson County Community Development Block Grant (CDBG-CV3) Program and the federal and local requirements that apply to the program. The handbook also provides local units of government, nonprofits, faith-based organizations, and county agencies/departments with an understanding of the responsibilities in preparing an application and, if selected for funding, the administrative role required.

The CDBG-CV3 program is authorized by the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Public Law 116-136, in response to the growing effects of the historic public health crisis and must be used to prevent, prepare for, and respond to the coronavirus (COVID-19). To access this funding HUD must approve a substantial amendment to the Johnson County 2020 Action Plan. Project applications must include eligible activities and must also meet the goals and objectives outlined by HUD and be in direct response to COVID-19. The CARES Act will provide \$942,070 in CDBG-CV3 funds to Johnson County from the U.S. Department of Housing and Urban Development (HUD). These funds will be shared with the City of Olathe under an existing MOU with the county. Olathe will receive a percentage of county CDBG-CV3 funds which must be applied for utilizing the county materials.

The County is requesting applications from non-profits, cities, county departments and other eligible entities for participation in the CDBG-CV3 program for the period of January 21, 2020 through August 31, 2023. Funds may be used for a wide range of activities that must be associated with COVID-19; additional information regarding eligible activities is included in this handbook.

- a. Public Services: Provision of new or quantifiably increased public services that assist and/or benefit those affected by COVID-19.
- b. Buildings and Improvements, including Public Facilities: Acquisition, construction, reconstruction, or installation of public works, facilities, and site or other improvements; and rehabilitation of buildings and improvements to assist with COVID-19 activities.

HUD has provided maximum flexibility for the use of CDBG-CV3 funding by eliminating the typical CDBG percentage caps for which the amount of grant funds can be used. Therefore, funding may be utilized fully for public services and public facilities, or any combination thereof. Eligible CDBG-CV3 projects must be within Johnson County, excluding the cities of Overland Park, Lenexa and Shawnee. These cities receive their own allocation of CDBG-CV3 funds as entitlement communities.

CDBG-CV3 grants will be subject to oversight, reporting, and requirements that each grantee have adequate procedures to prevent the duplication of benefits which means grant funds may not be used to pay costs if another source of financial assistance is available to pay that cost. Subrecipients will be required to certify during the contract term that there is no supplanting of federal funds requested for projects.





**I. Johnson County an Urban County**

Johnson County received its first CDBG funds in 1986, having met the eligibility requirements of the U.S. Department of Housing and Urban Development (HUD). The County qualified as an Urban County entitled to receive CDBG funds. To qualify as an Urban County the County needed a population of 200,000. Johnson County initially obtained cooperation agreements from eighteen cities in the county, having a total combined population of more than 200,000. In 2018, Johnson County completed the required steps to requalify as an Urban County in order to receive CDBG funding for Fiscal Years 2019, 2020, and 2021. In 2021, Johnson County will complete the recertification process for program years 2022, 2023, and 2024.

**II. Cities with Current Cooperative Agreements**

Johnson County presently has cooperation agreements for the CDBG program with the following sixteen cities: De Soto, Edgerton, Fairway, Gardner, Lake Quivira, Leawood, Merriam, Mission, Mission Hills, Mission Woods, Olathe, Prairie Village, Roeland Park, Spring Hill, Westwood, and Westwood Hills.

**III. Lenexa, Overland Park, Shawnee and Olathe**

The cities of Lenexa, Overland Park, and Shawnee will receive their own allocation of CDBG-CV3 funds as entitlement cities. The City of Olathe receives a set percentage of the County’s CDBG funds through an MOU. Accordingly, **County CDBG-CV3 funds cannot be used for activities in Lenexa, Overland Park, Shawnee.** In order to serve residents in these cities, an applicant must apply for CDBG-CV3 funding in each of the cities separately.

**IV. CDBG-CV3 Entitlement Funds**

Johnson County received an allocation of CDBG-CV3 funds based upon a formula determined by HUD. In 2020 the County received \$942,070 for CDBG-CV3 projects in response to COVID-19.

**V. Calendar for Application and Award Process**

Application Training .....	Available on Website
Applications Post.....	October 17, 2022
Applications Due to Olathe.....	December 2, 2022
Applications Due to Johnson County.....	December 9, 2022
Evaluation and Review of Jo Co Applications .....	December 2022
Program Year begins.....	January 21, 2020
Program Year ends.....	August 31, 2023
Final reimbursement paperwork due.....	September 2, 2023



## **PART 2** **GOALS AND OBJECTIVES**

### **I. Federal CDBG Objective**

Title I of the Housing and Community Development Act of 1974, as amended, states that: **The primary objective of Title 1 (of the Act) is to promote “development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.”** The Code of Federal Regulations, 24 CFR 570 Subparts A through O, govern how this objective is to be carried out. CDBG-CV3 funds must be utilized to prevent, prepare for, and respond to the coronavirus (COVID-19).

### **II. Johnson County’s CDBG Priority Objectives and Needs**

The primary goal of Johnson County's CDBG-CV3 program is to serve low to moderate income populations in response to COVID-19 through eligible public services and public facilities projects meeting a CDBG national objective. Johnson County identified the following needs through a “needs assessment survey” administered in April 2020 in direct response to CDBG-CV3 funding availability.

The “needs assessment survey” identified the following priorities. All eligible applications will be considered, but the following will be prioritized based on community feedback:

- Emergency Assistance (Food, Rent/Utility/Mortgage Assistance)
- Healthcare/Personal Protective Equipment
- Childcare Services

## **PART 3** **FEDERAL PROGRAM REQUIREMENTS**

**Part 3 addresses federal program requirements for the CDBG-CV3 Program:**

- Section 1. Eligibility requirements;**
- Section 2. Environmental requirements;**
- Section 3. Administrative and financial requirements;**
- Section 4. Fair Labor Standards; and**
- Section 5. Equal Opportunity regulations.**
- Section 6. SAM Registration and Active Unique Entity ID Number**

## **Section 1. Eligibility Requirements**

**In determining if CDBG-CV3 funds may be used to assist a proposed project, the activity must meet four federal requirements. First, it must meet one of the CDBG National Objectives; second, it must be an eligible activity in the CDBG Statute; third, it must be in direct response to COVID-19; and fourth, funds may not be supplanted or available for the same activity from any other source.**

### **I. National Objectives**

The Housing and Community Development Act of 1974, as amended, established a Primary Objective and three National Objectives for the CDBG program. The Primary Objective is "the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income." **In addition to the Primary Objective, the proposed activity MUST meet one of the three National Objectives (A-C). For the purposes of CDBG-CV3 funding, a project must meet the national objective of benefit to low and moderate income persons or urgent need.**

#### **A. The Activity Provides Maximum Feasible Benefit to Low and Moderate Income Persons.**

An activity will be considered to benefit low- and moderate-income persons only if it meets **one** of the following criteria:

- 1. Area Benefit** - The activity must be carried out in, and benefit, a residential neighborhood consisting of a minimum of 43.46% persons of low and moderate income; or
- 2. Limited Clientele** - The activity must involve facilities or services designed to benefit persons, at least 51%, of who are of low and moderate income. Or, to exclusively benefit individuals presumed to be low and moderate income individuals as defined by HUD, i.e. abused children, battered spouses, elderly persons, adults defined as severely disabled in the Bureau of Census' Current Population Report, homeless persons, illiterate adults, persons living with AIDS, and migrant farm workers; or
- 3. Job Creation or Retention** - The activity must create or retain permanent jobs where at least 51% of the jobs involve employment of low- and moderate-income persons.

**B. The Activity Aids in the Prevention or Elimination of Slums or Blight.** This objective can be achieved when proof is supplied that the activity is qualified under Section 17-4760 of the Kansas State Statutes.

#### **C. The Activity Meets an Urgent Need.**

This objective can be achieved **ONLY when ALL FOUR** of the following requirements are met at the time the application is submitted:

1. The determination of "immediate threat" has been made in consultation with the appropriate state or federal agency. Documentation from that agency noting this "immediate threat" must be included with the application.
2. The applicant is unable to finance the activity. Documentation certifying this fact must be included with the application.
3. Other sources of funding must have been investigated and must be unavailable. Documentation certifying this fact must be included with the application.
4. The problem the activity addresses has not existed for more than **18 months prior to the application**. Documentation certifying this fact must be included with the application.

## II. **Eligible Activities**

In addition to meeting the Primary Objective and one of the National Objectives, the activity proposed for funding must qualify as an "eligible" CDBG activity as listed in the Code of Federal Regulations.

### **24 CFR Subpart C, 570.201 Basic Eligible Activities**

- A. **Acquisition of Real Property** (24 CFR 570.201(a)  
Acquisition by purchase, lease, or otherwise, of real property (including air rights, water rights, right-of-ways, easements, and other interest therein) for public purposes.
- B. **Disposition** (24 CFR 570.201(b)  
Disposition through sale, lease, or otherwise, of any real property acquired with CDBG funds or its retention for public purposes, provided that the proceeds from any such disposition shall be treated as program income.
- C. **Public Facilities and Improvements** (24 CFR 570.201(c)  
Acquisition, reconstruction, rehabilitation or installation of public facilities and improvements carried out by the recipient or other public or private nonprofit entities. In undertaking such activities, design features and improvements that promote energy efficiency may be included. Such activities may also include the execution of architectural design features, and similar treatments intended to enhance the aesthetic quality of facilities receiving CDBG assistance, such as decorative pavements, railings, sculptures, pools of water and fountains, and other works of art. Activities may be directed to the removal of material and architectural barriers that restrict the mobility and accessibility of elderly or severely disabled persons to public facilities and improvements.

Facilities designed to provide shelter for persons having special needs are considered public facilities and are not subject to the prohibition on new housing

construction. Such facilities include shelters for the homeless; convalescent homes; hospitals; nursing homes; battered spouse shelters; half-way houses for run-away children; drug offenders or parolees; group homes for mentally retarded persons and temporary housing for disaster victims. In certain cases, nonprofit entities and subrecipients may acquire the title to public facilities.

**D. Clearance Activities** (24 CFR 570.201(d))

Clearance, demolition and removal of buildings and improvements, including the movement of structures to other sites. Demolition of HUD assisted units must have HUD approval.

**E. Public Services** (24 CFR 570.201(e))

Provision of public services, including but not limited to those concerned with employment, crime prevention, childcare, health, drug abuse, education, energy conservation, welfare, or recreational needs. In order to be eligible for CDBG assistance, public services must meet **each** of the following criteria:

1. A public service must be either **(a) a new service**, or **(b) a quantifiable increase in the level of service** above that provided by or on behalf of the unit of general local government in the twelve calendar months prior to the submission of the statement.
2. **The use of the funds shall be limited to providing services (for which there is normally a charge)** to low to moderate income individuals at a reduced rate or free of charge, or for minor needed repairs and improvements to facilities which serve predominantly low to moderate income individuals. In the case of building improvements, a stipulation may be added to the grant agreement that an agency, vacating the facility prior to a five-year period, will be required to repay a prorated share of the grant funds.

**F. Interim Assistance** (24 CFR 570.201(f))

The following activities may be undertaken on an interim basis in areas exhibiting objectively determinable signs of physical deterioration where the recipient has determined that immediate action is necessary to arrest the deterioration and that permanent improvements will be carried out as soon as practicable:

1. The repairing of streets, sidewalks, parks, playgrounds, publicly owned utilities, and public buildings;
2. Conducting special garbage, trash, and debris removal, including neighborhood cleanup campaigns, but not the regular curbside collection of garbage or trash in an area.



- G. Payment of Non-Federal Share** (24 CFR 570.201(g))  
When required in connection with a Federal grant-in-aid program undertaken as part of CDBG activities, provided that such payment shall be limited to activities otherwise eligible under this program.
- H. Urban Renewal Completion** (24 CFR 570.201(h))  
Payment of the cost of completing an urban renewal project funded under Title I of the Housing Act of 1949 as amended.
- I. Relocation** (24 CFR 570.201(i))  
Relocation payments and assistance for permanently or temporarily displaced individuals, families, businesses, nonprofit organizations, and farm operations, in conjunction with a CDBG activity.
- J. Loss of Rental Income** (24 CFR 570.201(j))  
Payments to housing owners for losses of rental income incurred in holding, for temporary periods, housing units to be utilized for the relocation of individuals, and families displaced by program activities.
- K. Housing Services** (24 CFR 570.201(k))  
Housing services, such as housing counseling in connection with tenant-based assistance and affordable housing activities assisted under Title II of the Cranston-Gonzalez National Affordable Housing Act. Energy auditing, preparation of work specifications, loan processing, inspections, tenant selection, management of tenant-based rental assistance, and other services related to assisting owners, tenants, contractors, and other entities participating or seeking to participate in housing activities assisted under Title II of the Cranston-Gonzalez National Affordable Housing Act.
- L. Privately Owned Utilities** (24 CFR 570.201(l))  
CDBG funds may be used to acquire, construct, reconstruct, rehabilitate, or install the distribution lines and facilities of privately-owned utilities, including the placing underground of new or existing distribution facilities and lines.
- M. Construction of Housing** (24 CFR 570.201(m))  
CDBG funds may be used for the construction of housing assisted under section 17 of the United States Housing Act of 1937.
- N. Homeownership Assistance** (24 CFR 570.201(n))  
Subject to statutory authority, CDBG funds may be used to provide direct homeownership assistance to low- and moderate-income households, as provided in section 105(a)(24) of the Act.
- O. Microenterprise Assistance** (24 CFR 570.201(o))  
The provision of assistance either through the recipient directly or through public and private organizations, agencies, and other subrecipients (including nonprofit and for-profit subrecipients) to facilitate economic development.

- P. Technical Assistance** (24 CFR 570.201(p))  
Provision of technical assistance to public or nonprofit entities to increase the capacity of such entities to carry out eligible neighborhood revitalization or economic development activities.
- Q. Assistance to Institutions of Higher Education** (24 CFR 570.201(q))  
Provision of assistance by the recipient to institutions of higher education when the grantee determines that such an institution has demonstrated a capacity to carry out eligible activities under this subpart C.

### **III. Ineligible Activities**

There are certain activities that are “ineligible” for CDBG funding. The general rule is that any activity that is not authorized under the provisions of item “II” above is ineligible. The following activities may not be carried out using CDBG funds:

- A.** Improving buildings or portions thereof, used for the general conduct of government, with the exception of making the buildings accessible for persons with disabilities.
- B.** Payment of general government expenses required to carry out the regular responsibility of the unit of general local government.
- C.** Political activities.

### **IV. COVID-19 Response**

Funds must be used to prevent, prepare for, and respond to the coronavirus (COVID-19). See HUD quick guide to CBDG-CV3 activities:

<https://files.hudexchange.info/resources/documents/Quick-Guide-CDBG-Infectious-Disease-Response.pdf>

### **V. Supplanting Funds**

Awarded subrecipients will be required to certify in the application and during the contract term that there is no supplanting of federal funds for requested and funded projects.

## **Section 2. Environmental Requirements** **24 CFR Part 58**

### **I. Johnson County Responsibility**

The 1969 **National Environmental Policy Act (NEPA)** of the Council on Environmental Quality establishes national policies, goals, and procedures for protecting, restoring and enhancing environmental quality. Johnson County is required by regulation to assure that each proposed activity meets environmental requirements. Each activity will be reviewed to determine if the proposed activity is Exempt or Categorically Excluded from compliance with NEPA. According to 24 CFR 58.38 Johnson County must maintain an environmental review record for each CDBG-CV3 funded activity.

#### **24 CFR 58.38 Environmental review record**

The responsible entity must maintain a written record of the environmental review undertaken under this part for each project. This document will be designated the "Environmental Review Record" (ERR) and shall be available for public review. The responsible entity must use the current HUD-recommended formats or develop equivalent formats.

- a. **ERR Documents.** The ERR shall contain all environmental review documents, public notices and written determinations or environmental findings required as evidence of review, decision making and actions pertaining to a particular project of a recipient. The document shall:
  1. Describe the project and the activities that the recipient has determined to be part of the project.
  2. Evaluate the effects of the project or the activities on the human environment;
  3. Document compliance with applicable statutes and authorities, in particular those cited in 58.5 and 58.6; and
  4. Record the written determinations and other review findings required by this part (e.g., exempt and categorically excluded projects determinations, findings of no significant impact).

## **II. Applicant Responsibility**

As part of the application process, **each applicant must respond to questions that will help determine the impact of a proposed activity on the environment regardless of the type of activity.**

### **Section 3. Administrative and Financial Requirements**

If an applicant is successful in being awarded a CDBG-CV3 grant, the applicant will be responsible for the following administrative and financial requirements of 2 CFR 200. This is a uniform framework to manage federal awards including cost principles, administrative and audit requirements. The full context can be found on the Government Publishing Office (GPO) website at: <http://www.ecfr.gov/cgi-bin/text-idx?SID=97a9811fb07fc88dd8b4c6a48d0d1200&mc=true&node=pt2.1.200&rqn=div5>

#### **Structure of 2 CFR 200**

Subpart A.	Acronyms and Definitions
Subpart B.	General Provisions
Subpart C.	Pre-Federal Award Requirements and Contents of Federal Awards
Subpart D.	Post-Federal Award Requirements
Subpart E.	Cost Principles
Subpart F.	Audit Requirements

The U.S Department of Housing and Urban Development issued Notice SD-2015-01, Transition to 2 CFR 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Final Guidance on February 26, 2015 to assist HUD grantees. The

document can be found at: <https://portal.hud.gov/hudportal/documents/huddoc?id=15-01sdn.pdf>.

## **Section 4. Fair Labor Standards Requirements**

**The Fair Labor Standards apply to proposed activities that involve construction or residential rehabilitation.**

**CONSTRUCTION CONTRACTS UNDER \$2,000 AND RESIDENTIAL REHABILITATION IN STRUCTURES WITH LESS THAN EIGHT UNITS ARE THE ONLY PROJECTS EXEMPTED FROM THE FOLLOWING LABOR STANDARDS.**

### **I. Labor Standards**

- A. Davis-Bacon Act.** The Davis-Bacon Act (DBA) states that contracts in excess of \$2,000 to which the United States is party for the construction, alteration, and/or repair, including painting and decorating, of public buildings or public works, which involve the employment of laborers and/or mechanics shall contain provisions with respect to minimum wages, fringe benefits, payments without deductions or rebates, withholding funds from contractors to ensure compliance with the wage provisions, and termination of the contract or debarment for failure to adhere to the required provisions.
- B. Contract Work Hours and Safety Standards Act.** This Act (CWHSSA) applies to both direct federal contracts and indirect federally assisted contracts except where the assistance is solely in the nature of a loan guarantee or insurance. CWHSSA provides that work in excess of 40 hours per week shall be compensated for at rates not less than one and one-half times the basic rate of pay. The Act mandates that, all contracts requiring the employment of laborers and mechanics (and watchmen and guards) in the performance of work in connection with such activities contain implementing provisions which will render the contractor and any subcontractor responsible for violation liable to the affected employees for their unpaid wages and to the United States for liquidated damages. The Act establishes an appeals procedure and makes intentional violations of the CWHSSA a federal criminal misdemeanor.
- C. Copeland Act (Anti-Kickback Act).** The Copeland Act makes it a criminal offense for any person to induce, by any manner whatsoever, any person employed in the construction, prosecution, completion, or repair of any public building, public work, or building or work financed in whole or in part by loans or grants from the United States, to give up any part of the compensation to which he is entitled under this

contract of employment. The Act also provides for the submission of weekly statements of compliance and weekly payrolls by all contractors.

- D. The Fair Labor Standards Act.** The Fair Labor Standards Act (FLSA) is applicable to HUD-assisted construction and provides for minimum wages for construction workers, overtime pay (forty-hour work week), record-keeping and child labor

standards. The Department of Labor is responsible for the enforcement of the Fair Labor Standards Act. It is the responsibility of the contractor to request rulings from the Department of Labor relative to the applicability of FLSA and limitations on child labor.

HUD and any local or State agencies that are responsible for the performance of labor standards administration and enforcement activities delegated by HUD are governed by the regulations promulgated by the Secretary of Labor. The actual enforcement of labor standards, including activity investigations and the performance of routine activity compliance monitoring remains the overall responsibility of HUD. HUD has delegated certain aspects of the day-to-day enforcement responsibilities to local or state agencies that directly administer HUD-assisted programs. When such delegations have been made, they are set forth in the paragraphs that follow. HUD handles all other labor standards enforcement obligations directly.

## **II. HUD Responsibility**

HUD ensures through the provision of training, technical assistance and resources, as well as, through the conduct of compliance reviews and monitoring, that local and state agencies are effectively performing their responsibilities. HUD Field Office Labor Relations staff shall:

1. Assist and provide technical assistance to local and state agencies.
2. Conduct comprehensive labor standards compliance reviews of local or state agencies and recipients.
3. Perform investigations of complaints and other labor standards matters.
4. Provide all labor standards technical and support functions to HUD program areas.
5. Make recommendations regarding debarment for labor standards violations.

## **III. Local Government or Agency Responsibility**

Compliance with labor standards provisions is a condition for receipt of HUD assistance. Accordingly, **each city or agency is responsible to HUD for ensuring compliance with Federal labor standards requirements** as follows:

1. Designating appropriate staff before the start of construction to ensure compliance with all applicable labor standards requirements and to act for and in liaison with the county and HUD (appoint a Labor Standards Officer).
2. Establishing a construction contract management system.
3. Informing all contractors and subcontractors performing contract construction work of their labor standards obligations at the pre-construction conference if requested.
4. Ensuring that all bid documents, contracts, and subcontracts contain Federal labor standards provisions and the applicable Department of Labor wage determination, and that no contractor is ineligible for federally assisted work.
5. Conducting on-site activity inspections, which include employee interviews when needed, and checking for posting of the Federal/State Labor Laws, the wage determination as well as the review of weekly contractor payrolls.
6. Correcting all violations of labor standards promptly.
7. Maintaining full documentation attesting to all administrative and enforcement activities with respect to Federal labor standards requirements, such documentation to be made freely available for HUD review. Such documentation shall include all weekly payrolls, copies of wage determinations and any applicable changes or modifications, notices of start of construction, on-site inspection reports and employee interviews, and any other records utilized in enforcement administration including records of wage and restitution made and pre-construction conference minutes.
8. Complying with requirements imposed by HUD concerning special requirements of law, program requirements, and other administrative requirements.

### **Section 5. Equal Opportunity Regulations**

All proposed CDBG-CV3 activities are subject to the following Equal Opportunity Regulations.

- A. **Title VI of the Civil Rights Act of 1964. Nondiscrimination in Federally Assisted Programs.**

Title VI provides that no person shall on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. It directs each Federal department or agency which extends financial assistance to any program or activity through grants, loans, or contracts, except contracts of insurance or guaranty, to issue rules or regulations to be approved by the President to carry out the purposes of the Title. Title VI authorizes the termination of the refusal to grant or continue Federal assistance under any program or activity involving a recipient as to whom there has been an express finding on the record of failure to comply but only, after due notice, an opportunity for hearing and a determination that compliance cannot be secured by voluntary means.

**B. Section 109 of the Housing and Community Development Act of 1974.**

Section 109 states that "No person in the United States shall on the grounds of race, color, national origin or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds available under this title."

This provision, while similar in wording to Title VI of the Civil Rights Act of 1964 is in fact a totally separate provision requiring its own specific procedures and is an integral part of the Housing and Community Development Act. As a result, equal opportunity requirements have been interwoven into the application and performance reporting processes. The responses must be based upon the nondiscrimination provisions as well as the specific performance standards and record-keeping requirements.

Section 570.601 of the Community Development Block Grant Regulations outlines the various prohibited discriminatory actions and, more importantly, requires the amelioration of the effects of past discrimination. Discrimination is banned, inter alia, in the offering of services or facilities; treatment of individuals; utilization of criteria and methods of administration; and determination of sites or locations of housing or facilities.

**C. Section 3 of the Housing and Urban Development Act of 1968**

Section 3 requires that, to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the activity area. And that contracts for work in connection with the activity are awarded to business concerns which are located in, or owned in substantial part by persons residing in, the area of the activity.

**D. Executive Orders**

**1. Executive Order 11063 (November 20, 1962)**

Executive Order 11063 requires all Federal departments and agencies to take all action necessary and appropriate to prevent discrimination because



of race, color, creed, or national origin in the sale or rental of residential property and related facilities owned or operated by the Federal Government

or provided with Federal financial assistance. The Order also prohibits discrimination in lending practices in so far as such practices relate to loans insured or guaranteed by the Federal Government.

2. **Executive Orders 11246 (September 24, 1965) and 11375 (October 13, 1967)**

Executive Order 11246 was issued on September 24, 1965, superseding Executive Orders 10590, 10722, 10925, 11114, and 11162 and abolishing the President's Committee on Equal Employment Opportunity. Part I of this

Order prohibits discrimination in Government employment because of race, color, creed or national origin, disability, or familial status. It directs each executive department and agency to establish and maintain a positive program of equal employment opportunity for all civilian employees and applicants for employment. It authorizes the Civil Service Commission to supervise and provide leadership and guidance for the programs. The Secretary of Labor is responsible for the administration of Parts II and III of the Orders and for issuing rules and regulations relating respectively to "Nondiscrimination Provisions in Federally Assisted Construction Contracts." On October 13, 1967, Executive Order 11375 amended Executive Order 11246 to add the prohibition of discrimination because of sex.

E. **Equal Opportunity Records That Recipients and Subrecipients Must Maintain:**

1. Demographic data by census tract. The data shall include prevailing population characteristics relating to race, ethnic group, sex, age, head of household, and income.
2. Data showing the extent to which these categories of persons have participated in or benefited from programs and activities funded under the Community Development Block Grant Program.
3. Data which records its affirmative action in equal opportunity employment, including but not limited to employment, upgrading, demotions, transfers, recruitment or recruitment advertising, layoffs or terminations, pay or other compensation, and selection for training.
4. Data which records its good faith efforts to identify, train and or hire lower income residents of the activity area and to utilize business concerns which are located in or owned in substantial part by persons residing in the area of the activity.

**Section 6. SAM Registration and Active Unique Entity ID Number**





To be eligible for federal funding or to carry out federal funded programs or projects, all agencies, organizations, service providers, businesses and contractors performing work funded and to be paid with federal funds are required to register with SAM.GOV and obtain and maintain an active Unique Entity ID Number for the duration of the program or project without exception. It's the law. Failure to do will result in funding application rejections, contract termination, and invoice rejection.

Here is the link to HUD's Guide to Obtain a Unique Entity ID Number:

<https://sam.gov/content/duns-uei>

Should you have further questions regarding this requirement, please contact Community Development.

## **PART 4** **JOHNSON COUNTY PROGRAM REQUIREMENTS**

In addition to the federal requirements that apply to the CDBG-CV3 program, Johnson County has established the following local program requirements.

### **I. Eligible Applicants**

**Eligible applicants are limited to the sixteen cities with cooperative agreements, nonprofits, faith-based organizations, and County Departments.**

Activities that propose to resolve problems existing in unincorporated areas of the county must be submitted through a County Department.

An eligible applicant may submit an application that includes subcontracting with other entities, either public or private, to perform any service, activity or undertaking which the subcontracting entity is authorized by law to perform.

### **II. Citizen Participation**

CDBG-CV3 funding will require the County to provide a substantial amendment to its 2020 Action Plan. This process will require citizen participation. According to the County's approved Citizen Participation Plan, there are no other requirements for additional citizen participation of applicants.

### **III. Funding Policies**

#### **A. Engineering/Architectural Cost Policy**

**Subrecipients of Johnson County Consortium CDBG-CV3 funds may be reimbursed for engineering/architectural costs directly related to carrying out an eligible project included in the HUD approved Consolidated Plan/Action Plan.**

**Professional service costs:** Cost of professional and consultant services rendered by persons or organizations that are members of a particular profession or possess





a special skill, whether or not officers or employees of the governmental unit, are allowable, subject to section 14 when reasonable in relation to the services rendered and when not contingent upon recovery of the costs from the Federal Government.

**B. Unliquidated Funds Policy**

**Unliquidated CDBG-CV3 funds not drawn down by the date specified in the Subrecipient Agreement will be deobligated.**

**IV. Funding Guidelines**

Applications for CDBG-CV3 funding are for the period of January 21, 2020 through August 31, 2023. Requests for funding should be reasonable and in direct response to COVID-19.

**V. Leveraged Funds**

**Title I of the Housing and Community Development Act of 1974, as amended, Sec. 5301 states:** "It is the intent of Congress that the Federal assistance made available under this chapter not be utilized to reduce substantially the amount of local financial support for community development activities below the level of such support prior to the availability of such assistance."

The applicant is expected to provide leveraged funds in accordance with its financial capability. The application must contain verifiable statements indicating that the local leveraged funds represent the maximum amount available for the activity and that without the requested CDBG-CV3 funds the activity could not be completed. However, those costs may be documented and used as local leveraged funds.

**VI. Reimbursement**

The CDBG program operates on a reimbursement basis. If an applicant is approved for funding and the Community Development office receives a fully executed Sub recipient Agreement (contract) and an Authorized Signature Form, a Reimbursement Request Form can then be submitted to Community Development. The Reimbursement Request must contain back-up documents confirming that expenditures were for activities described in the sub recipient Agreement. Undocumented expenses will not be reimbursed.

**VII. Current CDBG Income Guidelines**

HUD develops income guidelines annually based on the number of persons in a household. The current CDBG guidelines are listed below (effective 6/15/2022) for Kansas City, MO-KS Metro Area:

Persons in Household	1	2	3	4	5	6	7	8
Maximum Income	\$54,250	\$62,000	\$69,750	\$77,450	\$83,650	\$89,850	\$96,050	\$102,250

