

# Public Hearing

Community and Economic Development Committee

Community Development Block Grant Program

Substantial Amendment to  
the 2020-21 Annual Action Plan



4:00 P.M.

August 11, 2021



# Community Development Block Grant

In 1994 Lee's Summit was designated as an Entitlement Community under the Community Development Block Grant (CDBG) Program by the U.S. Department of Housing and Urban Development (HUD)

- As an Entitlement Community, the City is required to adopt an Annual Action Plan for each program year that summarizes local actions being taken to address specific needs within the community. In May 2020, City Council adopted the 2020-21 Annual Action Plan; due to receiving two rounds of emergency COVID-19 funding, this plan was amended and adopted in July 2020 and January 2021
- In the 2020-21 AAP, Lee's Summit Housing Authority was awarded \$140,000.00 for the Duncan Estates Exterior Rehabilitation Phase I project.

# LSHA Substantial Amendment

At the time of application, LSHA proposed to replace exterior windows, doors, porch columns, gutters, downspouts and soffits to all 66 units in the complex.

Due to the increase in cost and availability of materials, LSHA is requesting to downsize the scope of work from 66 to 8 units for phase I, and to extend their contract date with the City through March 31, 2022.

Per the City's CDBG Citizen Participation Plan, a Substantial Amendment to the Action Plan is required due to the change in scope and reducing the beneficiaries for this phase by more than 50%.

*\*\*The Duncan Estates Exterior Rehabilitation project is a phased project. All 66 units are planned to be rehabbed over 5 years.*

# Action Plan Components

This will have no financial impact to the City or AAP. Within the Action Plan, the beneficiary count will be amended, as well as the number of units rehabilitated in the project year— **AP 35: PROJECTS**

# Action Plan Amendment Process

- Public Hearing at CEDC (August 11)
- Public Review and Comment Period (August 11-Sept 9)
- City Council Adoption (September 21)
- HUD Approval (1-2 days after adoption)
- LSHA Contract Amendment (immediately upon HUD approval)

# STATUS of CDBG-Funded Project: Duncan Estates Exterior Rehabilitation



# FY-2021 CDBG Grant: Phase I of Duncan Estates Exterior Rehabilitation

- The exterior vinyl siding, windows, doors, gutters, downspouts, soffits, and front porches are 24-years-old & near end of useful life.
- Scope: Replacement of these systems in 3-4 Phases. First phase was projected eight (8) buildings with sixteen (16) units
- Phase I Grant (summer 2021) = \$140,000
- Leverages \$90,000 in HUD Capital Improvement Funds

# Bidding Process

- Advertised March-April 2021
  - Lee's Summit Tribune
  - Dos Mundos & Kansas City Call
  - Direct Outreach
    - National Association of the Remodeling Industry (NARI) Kansas City Chapter
    - National Association of Home Builders (NAHB) Kansas City Chapter
    - Contractors whom have done business with us in the past
  - Late April – Only One Bid Received
  - Extended Bidding Deadline by 2 weeks, Conducted Direct Outreach to more Contractors.



# Single-Bid Situation

- With only one bid in-hand after extended deadline, LSHA and our architect followed HUD's Guidance for Single-Bid Situations
- Bid amount twice the original in-house estimate
  - Materials prices spiked just as project put out to bid. Lumber prices alone rose 300% between March 2021 and today.
  - Labor Shortages in the Construction Industry impacted Contractor scheduling and bidding on work for Summer 2021.
- CDBG and HUD Capital Funds grants static, meaning scope reduction necessary

# Revised Scope & Re-Bidding Process

- Based upon bid price received and materials & labor trends, Project Scope reduction required that would reduce Phase 1 from 16 units to 8 units.
- HUD Requires rebidding based on reduction of scope by half the units projected.
- LSHA shall re-bid this project in late August-early September 2021 to take advantage of stabilizing materials prices and the fall slow-down in contractor's schedules.

# Discussion

## CEDC Recommendation