

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT REGION VII

Gateway Tower II, Room 200 400 State Avenue Kansas City, KS 66101-2406 HUD Home Page: www.hud.gov

July 26, 2023

Sarah Tilbury CDBG Administrator City of Lee's Summit 220 SE Green Street Lee's Summit, MO 64063-2368

Dear Ms. Tilbury:

SUBJECT: Fiscal Year 2023 Grant Agreement Transmittal

The Kansas City Field Office would like to thank you for your continued partnership in providing quality affordable housing, a suitable living environment, and expanding economic opportunities for low-and moderate-income persons through HUD programs. On Thursday, June 10, 2021, the Department published an interim final rule with a request for comments, titled: *Requesting Affirmatively Furthering Fair Housing Definitions and Certifications* (86 Fed Reg 30779). The effective date for the interim rule is July 31, 2021, and you are encouraged to review the interim rule in developing your programs.

One Grant Agreement is attached for each program awarded as follows:

Community Development Block Grant Program (CDBG) \$354,909

Total FY 2023 Award

\$354,909

Plan Approval

Transmittal of a grant agreement does not constitute approval of the activities described in your Consolidated Plan. You are reminded that you, as grantee, are responsible for ensuring that all grant funds are used in accordance with all program requirements. An executed Grant Agreement is a legally binding agreement between the Department of Housing and Urban Development and your agency.

Please note the special conditions attached to each Funding Approval/Agreement, including CDBG.

Office of Fair Housing and Equal Opportunity (FHEO):

The City's Annual Action Plan (AAP) was provided to the Office of Fair Housing and Equal Opportunity (FHEO) for review. FHEO staff provided the following comments:

The City identified five (5) impediments to fair housing: lack of affordable housing, lack of fair housing public information, financial burden facing low-to-moderate income households, rising cost of home maintenance/repairs, and zoning policies. The City listed activities it plans to engage in and how the funds will be allocated throughout the City of Lee's Summit for the 2023 fiscal year. However, some of the activities outlined in the AAP did not have a description. FHEO encourages the City to follow through with the planned activities to ameliorate the identified barriers to fair housing and include descriptions of all planned activities.

The AAP indicated that the City advertised for Citizen Participation. The City posted a notice in the Lee's Summit Tribune local newspaper and on the official city website. The City received zero (0) public comments. FHEO recommends that the city review its Citizen Participation Plan and continue its outreach efforts to solicit citizen participation from all protected classes, including populations who are limited English proficient and/or disabled in the AAP planning process so they can meaningfully contribute to community planning and development in the City of Lee's Summit.

FHEO is available to answer questions to assist the City of Lee's Summit in developing strategies to further fair housing and to provide technical assistance. Should you have any questions or need assistance, please contact Natasha J. Watson, Regional Director, at (913) 551-6857.

Environmental Review Requirements

You are reminded that certain activities are subject to the provisions of 24 CFR Part 58 (Environmental Review Procedures). Funds for such activities may not be obligated or expended until HUD has approved the release of funds in writing. A request for release of funds (RROF) must be accompanied by an environmental certification, and until the RROF is approved and notification is received, no HUD funds should be committed. If the project or activity is exempt per 24 CFR 58.34 or categorically excluded (except in extraordinary circumstances), no RROF is required.

Build America, Buy America (BABA)

On November 15, 2021, the Build America, Buy America Act (the Act) was enacted as part of the Infrastructure Investment and Jobs Act (IIJA). Pub. L. 117-58. The Act establishes a domestic content procurement preference, the Buy American Preference (BAP), for Federal programs that permit Federal financial assistance to be used for infrastructure projects. In Section 70912, the Act further defines a project to include "the construction, alteration, maintenance, or repair of infrastructure in the United States" and includes within the definition of infrastructure those items traditionally included along with buildings and real property. Starting May 14, 2022, new awards of Federal financial assistance (FFA) from a program for infrastructure, and any of those funds obligated by the grantee, are covered under the Build America, Buy America (BABA) provisions of the Act, 41 U.S.C. 8301 note. The waiver, published March 15, 2023, establishes a phased implementation schedule for application of the BAP to covered materials and HUD programs.

The BAP is applicable <u>now</u> to iron and steel used in covered CDBG projects, i.e. for projects using funds obligated on or after November 15, 2022. For CPD, the BAP will apply next to iron and steel used in covered Recovery Housing Program (RHP) projects

for funding obligated on or after August 23, 2023. The Phased Implementation waiver established the following implementation schedule for HUD programs:

BAP will apply to	Iron and Steel	Specifically Listed	All Other	Manufactured
		Construction	Construction	Products
		Materials	Materials	
CDBG Formula Grants	All funds obligated on	As of the date HUD	As of the date HUD	As of the date HUD
	or after November 15,	obligates new FFA	obligates new FFA	obligates new FFA
	2022	from FY24	from FY25	from FY25
		appropriations	appropriations	appropriations
Choice Neighborhood,	New FFA obligated by	New FFA obligated	New FFA obligated	New FFA obligated
Lead Hazard Reduction,	HUD on or after	by HUD on or after	by HUD on or after	by HUD on or after
and Healthy Homes	February 22, 2023	August 23, 2024	August 23, 2024	August 23, 2024
Production Grants				
Recovery Housing	New FFA obligated by	As of the date HUD	As of the date HUD	As of the date HUD
Program (RHP) Grants	HUD on or after	obligates new FFA	obligates new FFA	obligates new FFA
	August 23, 2023	from FY24	from FY25	from FY25
		appropriations	appropriations	appropriations
All HUD FFA except	New FFA obligated by	New FFA obligated	New FFA obligated	New FFA obligated
HOME, Housing Trust	HUD on or after	by HUD on or after	by HUD on or after	by HUD on or after
Fund, and Public	February 22, 2024	August 23, 2024	August 23, 2024	August 23, 2024
Housing FFA used for				
maintenance projects				
All HUD FFA	New FFA obligated by	New FFA obligated	New FFA obligated	New FFA obligated
	HUD on or after	by HUD on or after	by HUD on or after	by HUD on or after
	August 23, 2024	August 23, 2024	August 23, 2024	August 23, 2024

Additional details on fulfilling the BABA requirements can be found at https://www.hud.gov/program_offices/general_counsel/BABA.

Executing the Grant Agreement

Please execute each Grant Agreement with electronic signature and date, and return to this office to the attention of Dana Buckner, Director, Community Planning and Development at dana.buckner@hud.gov. Please ensure the Chief Elected Official and/or authorized designee electronically signs the CDBG grant agreement in the box directly across from the HUD CPD Director's signature. The CDBG Grant Agreement should **not** be electronically signed in box 12c. Maintain a copy of each agreement with your original signature on-site in your program files.

For additional information and guidance on grant-based accounting, please refer to the HUD Exchange at: https://www.hudexchange.info/manage-a-program/grant-based-accounting/.

To establish a Line of Credit for Fiscal Year 2023 grant funds, it will be necessary for your agency to sign, execute and return one (1) copy of each Grant Agreement. If there is a need to add or remove individuals authorized to access the Integrated Disbursement Information System (IDIS), please submit an IDIS Online Access Request Form (HUD 27055), notarize, and return to this office. Additionally, if there is a need to establish or change the depository account where these funds are to be wired, a Direct Deposit Sign-Up form (SF-1199A) must be completed by your financial institution and returned to this office with a copy of a voided check.

HUD congratulates City of Lee's Summit on your grant award, and we look forward to assisting you in accomplishing your programs goals. If you have any questions or need further information or assistance, please contact Stephanie Moore, CPD Representative at (913) 321-9741, or stephanie.m.moore@hud.gov.

Sincerely,

Dana Buckner

Director, Office of Community Planning and Development

Enclosure

cc:

Amy Koeneman