



Testimony on CARES
Funding

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CARES Act Funding

- ❖ CDBG-CV
- ❖ Kansas Creative Arts Industries
- ❖ Broadband (via SPARK)
- ❖ Economic Development Grants (via SPARK)

CDBG-CV

- ❖ CARES ACT allocated additional funding to Community Development Block Grant program through multiple rounds
 - ❖ Both entitlement and non-entitlement
 - ❖ Round 1- \$9 Million
 - ❖ Round 2- \$7.8 Million
 - ❖ Round 3- \$5.3 Million (Just Announced)
- ❖ The purpose of the funds were providing working capital for Kansas businesses and meal program support for communities
- ❖ Communities were eligible to apply for either economic development or meal program grants.
- ❖ Commerce launched the online portal on May 12th at 1PM, one week before submissions began
- ❖ Over 240 people participated in the live virtual Q&A

CDBG Economic Development Grants

- ❖ To be eligible to receive a CDBG-CV Economic Development grant, the recipient business must be a for-profit business and retaining jobs for low to moderate-income people.
 - ❖ 51% or more of the full-time equivalent (FTE) jobs retained must be for persons from low to moderate-income households as defined by HUD
- ❖ CDBG-CV Economic Development grants can be used to pay for the following expenses:
 - ❖ Working capital such as wages, utilities, rent, etc.
 - ❖ The purchase of 60 days' worth of inventory needed to reopen (60 days began on the day the business could reopen)
- ❖ Businesses with five or fewer employees (including the owner) are eligible to receive up to \$25,000 per FTE job in CDBG-CV Economic Development grant funding (with a maximum of \$30,000 per company)
- ❖ Businesses with between six and 50 employees are eligible to receive up to \$35,000 for each FTE job in CDBG-CV Economic Development grant funding (with a maximum of \$50,000 per company)
- ❖ Maximum amount a community could apply for was \$300,000

CDBG Meal Program Grants

- ❖ CDBG-CV Meal Program grants are intended to provide Kansas cities and counties with funds to supplement various programs that provide access to nutritious foods during the COVID-19 crisis
- ❖ To be eligible to receive a CDBG-CV Meal Program grant, the applicant must be able to demonstrate that at least 51% of the community meets the low to moderate-income household criteria as defined by HUD
- ❖ CDBG-CV Meal Program grant funds can be directed toward organizations such as Meals on Wheels, for the replenishment of local food banks or to support organizations that provide meal programs for children impacted by the loss of school meal programs
- ❖ Maximum amount a community could request was \$100,000

CDBG Award Summary

- ❖ The Department of Commerce received requests totaling \$38.8 Million from 138 communities
- ❖ Our goal was to try and make sure we reached as many communities as possible
- ❖ As a result, we were not able to honor the full request from each city/county. A decision was made that we would award around 45% of the total requested by the applicant for economic development and awarding a maximum of \$35,000 for meal programs, when requested by the applicant
- ❖ By doing this, we were able to award funds to 122 communities through rounds 1 and 2 and complete it by July 23rd
- ❖ Most states are still working on round two distribution
- ❖ We are awaiting guidance on round 3

Kansas Creative Arts and Industries Commission

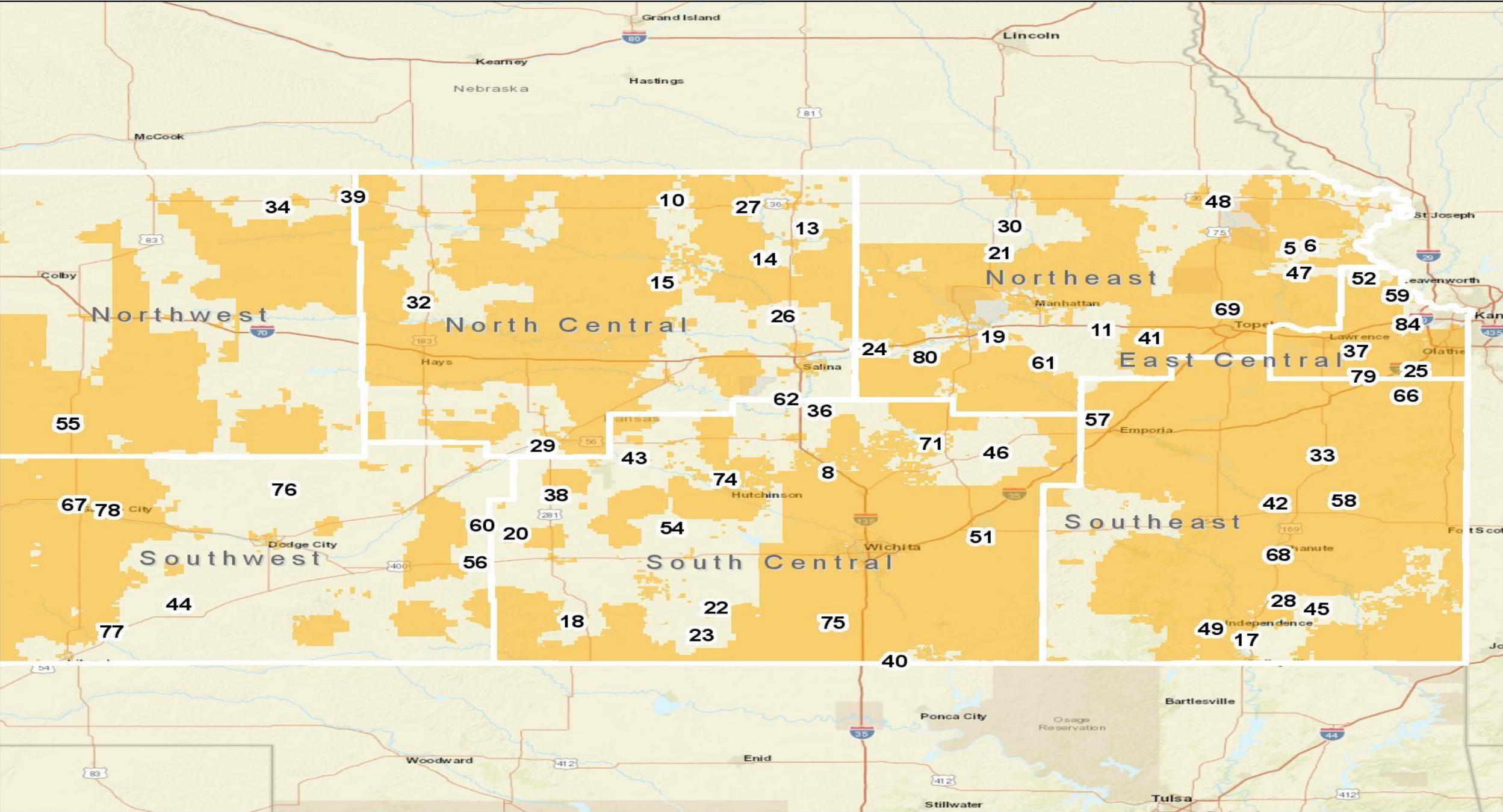
- ❖ Received \$440,600 through CARES Act
- ❖ Applicants were asked to provide an annual operating budget and a one-month breakdown. Awards were then determined based on 3 months of operational expenses
- ❖ Funds could be spent on recurring operational expenses like payroll and facility costs
- ❖ Program was coordinated with concurrent CARES programs including Humanities Kansas, and Mid-America Arts Alliance, to maximize the number of cultural organizations that would receive relief
- ❖ CARES funds were supplemented with regular partnership funds to include more organizations as many events and projects were canceled in the last quarter of FY20.
- ❖ Awards were maxed at \$20,000

Connectivity Emergency Response Grants (CERG)

- ❖ Created to address the increased need for internet connectivity in Kansas in response to COVID-19 pandemic
- ❖ Goal is to improve connectivity to underserved and unserved areas to address needs related to the pandemic
- ❖ A 20% match is required for total project cost
- ❖ Maximum grant amount is \$10 million
- ❖ Minimally adequate internet connectivity (residential \leq 25/3 Mbps)
- ❖ All projects must comply with CARES Act guidelines
 - ❖ Mainly that project must be complete by 12/30

Timeline

- ❖ August 3 - Legislative Budget Committee presentation
- ❖ August 10- State Finance Council approves Connectivity funding
- ❖ August 13- Applications are posted for review and questions
- ❖ August 19- Applications accepted – CERG and Partnership Adoption Grant
- ❖ August 27- Application window closes – CERG
- ❖ August 31- Application completeness reviews prepared, outreach to applicants begins
- ❖ September 10- Application Review Committee convenes
- ❖ September 17- Application Review Committee convenes again to review additional data
- ❖ September 18- Connectivity grant recommendations sent for final approval
- ❖ **September 23- Notifications went out; verification required**
- ❖ **September 25- Agreements began to go out, due back by October 2**



Form 477 (Served at 25/3 or Greater)

Broadband Grant Summary (in process of finalizing)

- ❖ We received 84 applications
- ❖ We anticipate 67 projects being approved
- ❖ Those that did not receive any funding, were due to ineligibility
- ❖ All regions in our State will have approved projects
- ❖ Announcement of awards should be later this week

Economic Development Grants (via SPARK)

- ❖ Business Retention and Expansion - \$61.5 million
 - ❖ Small Business Grants
 - ❖ PPE Procurement
 - ❖ PPE Manufacturing
 - ❖ Domestic Supply Chain
 - ❖ COVID Science Bioscience Accelerator grant
 - ❖ University SARS-CoV-2/Covid R&D Capacity Support Grant
- ❖ Securing Local Food Systems- \$9 million
 - ❖ Funds for meat processing, food banks, producers etc.
 - ❖ Program was housed in Commerce, but technical review was handled by Department of Agriculture as the lead
- ❖ Workforce Training and Retraining - \$8.1 million
 - ❖ IT Cybersecurity & IT Project Management Certification Training
 - ❖ Higher Education Advanced Manufacturing & IT Equipment
 - ❖ Kansas Cybersecurity Consortium

Small Business Grants Summary (in process of finalizing)

- ❖ Over 8000 applications received (Nearly 4000 on first day alone)
- ❖ Priority was to address small business grants first
- ❖ Dedicated staff resources to answering questions from businesses throughout day and night
- ❖ Anticipation is around 2300 companies will receive funding
- ❖ As of today, over 50% of payments have been processed

Questions

