

The ROAD Forward

*The **R**egional **O**pportunity **A**rea
Development **F**inance **I**nitiative*

Agenda

- Introduction
 - Partners and Roles
 - Regional Affordable Housing Needs
 - ROAD Forward Goals
 - How the ROAD Forward Works
 - Jurisdictions served in pilot stage
 - What's in it for me
 - for developers
 - for communities
 - Application and Selection Process
 - Open Q and A
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Partners



CITY OF
KANSAS CITY,
MISSOURI

United Way
of Greater Kansas City



PHAs of Kansas City and Lee's Summit

- Contribute and manage subsidies

Mid-America Regional Council (MARC)

- Lead outreach to municipalities, demonstrating how The ROAD Forward can advance local plans and provide housing for a competitive workforce

LISC Greater Kansas City

- Lead outreach to developers demonstrating the efficiencies and other advantages of working through this interjurisdictional collaboration

City of Kansas City, MO

- Provide additional resources to support participating developers, managers, tenant applicants and residents

United Way of Greater Kansas City

- Support service needs of participating families
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Kansas City Region Housing Crisis Data

- Families with children typically can't afford housing near good schools and jobs.
- For individuals with incomes <\$20,000, there were at least 50,000 more households than affordable rental options in the Kansas City Region.
- Historically, most new LIHTC housing in opportunity areas has not served families with children
- Wages for the largest occupation categories in the Kansas City Region do not cover the costs of housing near job centers.

Occupation title	Percentage of the Workforce	Median hourly wage	Employment
Office and Administrative Support Occupations	13.72	\$18.61	141,540
Sales and Related Occupations	9.56	\$15.32	98,590
Transportation and Material Moving Occupations	9.21	\$16.31	94,940
Food Preparation and Serving Related Occupations	8.01	\$11.28	82,630
Business and Financial Operations Occupations	7.30	\$33.41	75,240

Area Wages Prohibit “Live Near Work”

\$18.81 per hr

Or Annual salary of \$39,120

Is the minimum wage and annual salary needed to meet the minimum market rate rent requirements in **Kansas City**

Many essential workers in our community receive the median hourly wage of \$11.40; including foodservice, healthcare support, grocery, and retail personnel.

Over 42,000 renter households are at or below the 50% Median Family Income (MFI) level with income at \$43,000 or less per year facing a shortage of almost **8,000 housing units**. 74% of these households are cost-burdened spending more than 30% of their income on housing (rent and utilities).

Even worse, households making \$26,200 or less per year (30% MFI) face a shortage of over **16,000 units** and 76% of them are housing cost-burdened.

When households are housing burdened they have less money for groceries, transportation, childcare, and their health.



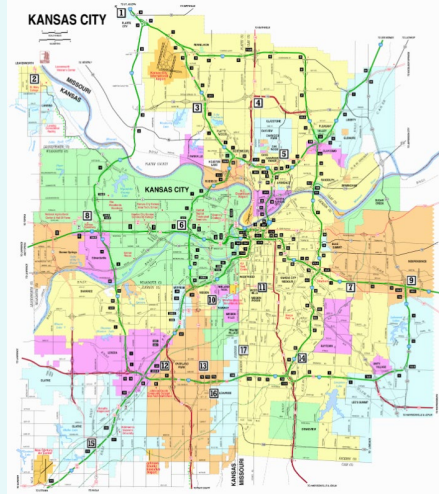
ROAD Forward Goals

- Increase the supply of affordable rental housing development for families with children near jobs, transportation, educational opportunities, and other amenities in the Kansas City, MO region
- Strengthen collaboration among PHAs and municipalities to advance common priorities and
 - Leverage financing and leadership
 - Approve new developments on an annual basis

What is The ROAD Forward and How Does it Work?

- The ROAD Forward is a ***virtual pool of rent subsidies*** contributed by participating PHAs.
 - Through a **single competitive application**, led by LISC and MARC, developers can access PBVs to increase the supply of mixed-income housing in opportunity areas.
 - The initial pilot of ROAD Forward is designed specifically for developers seeking LIHTC from MHDC.
 - Tenant applicants for these subsidies will be referred to the developer from the existing waitlists of The ROAD Forward's Public Housing Authority partners. Selected eligible residents will be able to pay an affordable rent (30% of household income).
 - The ROAD Forward is prepared to commit subsidies for up to 100 multifamily and scattered site rental units. The ROAD Forward will provide subsidies to no less than five, and no more than 25% of the total, rentals in any one property.
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Eligible Jurisdictions



Birmingham

Blue Springs

Claycomo

Gladstone

Glenaire

Grandview

Kansas City

Lake Lotawana

Lake Tapawingo

Lake Waukomis

Lee's Summit

North Kansas City

Parkville

Platte Woods

Pleasant Valley

Randolph

Raytown

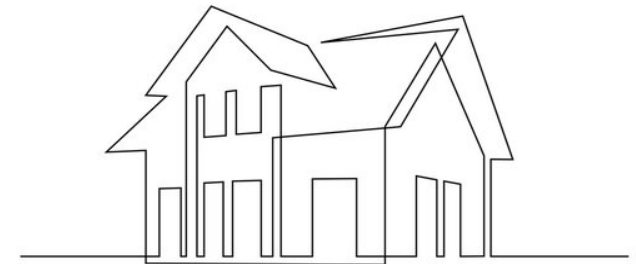
Riverside

Sugar Creek

Weatherby Lake

What's in this for Developers?

- Supports needed construction, redevelopment, and preservation activities in opportunity areas
- Awards up to 20-year rental assistance contracts that are renewable for a total of 40 years to eligible affordable housing projects
- LIHTC applicants can leverage support from the ROAD Forward through its aligned and simplified application process
- Allows developers and providers to have
 - Increased and stabilized occupancy and income
 - Reduced marketing and turnover expenses
 - Greater appeal to underwriters and lenders



What's in this for Communities?

- Financial resources to advance local housing and economic development plans and priorities
- Healthier and more racially and economically Integrated neighborhoods
- Live near work options and housing for an equitable & competitive workforce
- Addresses regional employers' concerns about attracting and retaining employees with housing near employment opportunities



Application Process

1. Download and review the [RFP](#) and [application](#).

2. Make an appointment and meet individually with LISC and MARC staff, who are representing The ROAD Forward partners, **BEFORE September 10th** to discuss the housing proposal

3. Address the ROAD Forward priorities in that discussion and through The ROAD Forward supplemental submittal.

4. Submit latest information or draft of MHDC and ROAD Forward application materials and/or most recent and relevant information to LISC and MARC staff in advance of that appointment

Application Process

5. Address any follow-up questions or requests for information (from initial conversation with LISC and MARC) in a timely fashion.

6. If the above discussion results in the decision for The ROAD Forward to issue a soft commitment letter, the subsequent process is as follows:

a. ROAD Forward Staff will issue a letter both to the applicant and to MHDC staff.

b. Applicants must submit to LISC and MARC staff their final ROAD Forward application and supporting documentation along with copies of their MHDC LIHTC application (which should include The ROAD Forward soft commitment letter) on the same day that MHDC applications are due to MHDC.

c. The ROAD Forward selection panel will meet to review applications on the same timetable as MHDC, providing final recommendations to MHDC in time to inform the final MHDC scoring.

d) If approved by the panel and the local housing authority, at the appropriate point in time, the owner will enter into a contract with the housing authority that outlines the financial and procedural obligations of both parties. Subsidy layering and environmental reviews will also be required.

Selection Criteria

- Location
 - Local Workforce and Families with Children
 - Management
 - Community Appeal
 - Financial Viability
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Thank you

Please type any questions in the chat
and we will begin the Q&A portion.
