

**AGREEMENT**  
**(Housing Resources Commission)**

**THIS AGREEMENT**, made by and between **JACKSON COUNTY, MISSOURI**, a Constitutional Home Rule Charter County of the First Class of the State of Missouri, acting by and through its **Housing Resources Commission**, hereinafter referred to as "the County" and a Missouri not-for-profit corporation, **Legal Aid of Western MISSOURI, 1125 Grand Boulevard, Suite 1900, Kansas City, MO 64106**, hereinafter referred to as "Contractor".

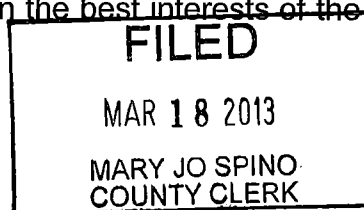
**WHEREAS**, on June 4, 1991, the voters of Jackson County authorized the County Legislature to impose a \$3.00 user fee on all instruments recorded with the County's Department of Records, the proceeds of which fee is to be used to provide funds for assistance to homeless persons; and,

**WHEREAS**, the County actually imposed said fee by Ordinance No. 1986, dated June 10, 1991; and,

**WHEREAS**, by Ordinance No. 2030, dated September 3, 1991, the Legislature created the Housing Resources Commission and designated said Commission as the agency of the County responsible for determining the allocation and distribution of the proceeds of the user fee; and,

**WHEREAS**, the Commission has reviewed Contractor's proposal for the expenditure of County user fee funds for the purpose of providing assistance to homeless persons in Jackson County; and,

**WHEREAS**, the Commission has determined that it is in the best interests of the



County's citizens to provide funding to Contractor according to the terms and conditions hereof;

**NOW, THEREFORE,** it is agreed by and between the parties as follows:

1. **SERVICES.** Contractor shall use the proceeds of this Agreement solely for the purpose of providing assistance to homeless persons in Jackson County, Missouri. Contractor agrees to use the funds as set out on the Housing Resources Commission Funding Request Form, attached hereto as Exhibit A.

2. **PAYMENT.** The County shall pay to Contractor a total amount not to exceed \$38,000.00 for the purpose of providing assistance to homeless persons in Jackson County, Missouri. One quarter of this sum, or \$9,500.00, shall be paid to Contractor on a quarterly basis for the periods ending March 31, 2013, June 30, 2013, September 30, 2013, and December 31, 2013, upon receipt of Contractor's invoice and supporting documentation, provided that Contractor has submitted to the County the report(s) required under Paragraph 3 and Paragraph 5 hereof. Each quarter's payment will be issued after Contractor has submitted the required invoices and supporting documentation for reimbursement.

3. **REPORTS/OTHER DOCUMENTATION.** Under this Agreement, Contractor shall submit appropriate reports, including copies of invoices and cancelled checks and/or a copy of the face of the check and corresponding bank statements and other documentation, as requested by the Housing Resources Commission staff to show that funds paid to Contractor by the County are being used for the purpose of providing assistance to homeless persons in Jackson County, Missouri. If the reports submitted

do not satisfactorily demonstrate appropriate expenditures of County funds, payments are subject to downward adjustment to reflect the amounts actually spent on allowable services provided during the previous quarter. The final request for payment shall include a Quarterly Report and an Annual Report, which shall set out the program objectives and accomplishments, and a final reconciliation of funds. The Annual Report shall be submitted no later than January 31, 2014. Section 67.1071, R.S.Mo., specifically requires the Annual Report to include "statistics on the number of persons served by the agency, and shall include the results of an independent audit of expenditures of funds received by Contractor pursuant to this Agreement. Failure to submit said reports, including the Annual Report, shall result in the loss of future funding by the County.

4. **MAINTENANCE OF ACCOUNTS.** The parties recognize that this funding by the County serves to improve the quality and effectiveness of homelessness programs in Jackson County, Missouri. It is, therefore, declared as the express intent of the parties that the services to be rendered hereunder shall be in addition to those deemed necessary and required to maintain the efficient and effective operation of Contractor in its normal duties, and that none of the funds paid by the County pursuant to this Agreement shall serve to reduce any funds budgeted, or to be budgeted, by Contractor for operations as they exist at the time of this Agreement. Contractor shall not commingle the County's funds and shall keep funds received under this Agreement separate from all other Contractor funds and accounts until expended as herein provided.

5. **SUBMISSION OF DOCUMENTS.** No payment shall be made under this

Agreement unless Contractor shall have submitted to the County's Director of Finance and Purchasing: (1) a written proposal setting out in detail the intended use of the County's funding, including the target population to be served; (2) Contractor's IRS Form 990 from the previous fiscal or calendar year; (3) a statement of Contractor's total budget for its most recent fiscal year; and (4) a detailed explanation of actual expenditures of the County's funds (pertains to final payments and payments on contracts for future years). If Contractor has previously received funding from the County, to be eligible for future payments, Contractor must submit either an audited financial statement for Contractor's most-recent fiscal or calendar year by March 31 of the following year, or a certified public accountant's program audit of the County's funds by January 31 of the following year. Any documents described herein which were submitted to the Director of Finance and Purchasing as a part of an application for funding need not be resubmitted to qualify for payment. No payment shall be made if Contractor is out of compliance on any other County contract, or has not paid county taxes on all properties owned by Contractor and assessed by the County.

6. **AUDIT.** The parties agree that the County may, for any reason and at any given time, examine and audit the books and records of Contractor pertaining to its finances and operations. Further, Contractor agrees to establish and adopt such accounting standards and forms as recommended by the County prior to receipt of the County's first distribution of funds under the terms of this Agreement. The forms used to document expenditure of these funds may be changed from time to time by the County.

7. **DEFAULT.** If Contractor shall default in the performance or observation of any

covenant, term or condition herein contained to be performed by Contractor, the County shall give Contractor ten days written notice, setting forth the default. If said default shall continue and not be corrected by Contractor within ten days after receipt of notice from the County, the County may, at its election, terminate this Agreement and withhold any payments not yet made to Contractor. Said election shall not, in any way, limit the County's rights to sue for breach of this Agreement.

8. **TERM.** The term of this Agreement shall commence January 1, 2013, and shall continue until December 31, 2013.

9. **LIABILITY.** No party to this Agreement shall assume any liability for the acts of the other party, its officers, agents, or employees.

10. **CONFLICT OF INTEREST.** Contractor warrants that no officer or employee of the County, whether elected or appointed, shall, in any manner whatsoever, be interested in or receive any benefit from the profits or emoluments of this Agreement.

11. **EMPLOYMENT OF UNAUTHORIZED ALIENS PROHIBITED.** Pursuant to §285.530.1, RSMo, Organization assures that it does not knowingly employ, hire for employment, or continue to employ an unauthorized alien to perform work within the State of Missouri and/or Jackson County, and shall affirm, by sworn affidavit and provision of documentation, its enrollment and participation in a federal work authorization program with respect to the employees working in connection with the contracted services. Further, Organization shall sign an affidavit, attached hereto and incorporated herein as Exhibit B, affirming that it does not knowingly employ any person who is an unauthorized alien in connection with the contracted services.

12. **INFORMATIONAL REPORTING.** A representative of Contractor shall attend meetings of the County Legislature and the Housing Resources Commission when so requested by either of the above-referenced entities. The representative shall be prepared to answer any questions concerning payments made pursuant to this Agreement.

13. **TERMINATION.** Except as provided in Paragraphs 7 and 16 hereof, this Agreement may be terminated by either of the parties upon thirty days written notice to the other party.

14. **SURPLUS FUNDS.** Any surplus funds not spent at the end of this Agreement term shall be returned to the County by the fifteenth of the month following the termination of this Agreement. These funds shall not be subject to reappropriation. The term "surplus funds" refers only to those funds that have not been committed for costs or purposes by purchase order, contract, or other formal documentation within the Agreement term.

15. **PERFORMANCE REVIEW.** The performance of this Agreement shall be subject to review by the County or its designated agent. The County's Housing Resources Commission Director shall review the performance of this Agreement according to his/her responsibilities. Contractor agrees to file all required forms with the Housing Resources Commission Director. The Housing Resources Commission may provide to Contractor a list identifying specific areas funded by the proceeds of this Agreement to be reviewed or audited. The Housing Resources Commission and Contractor shall agree on the definition and scope of a review audit of each specific area

identified. Contractor shall conduct internal review of each specific area identified and shall provide its findings to the Commission. The parties recognize that all books, records, accounts, and any other documents in the possession of the County relative to the funding of this Agreement, are public records and open for inspection and photocopying in accordance with Chapter 610, R.S.Mo.

16. **REMEDIES FOR BREACH.** Contractor agrees to faithfully observe and perform all of the terms, provisions, and requirements of this Agreement, and Contractor's failure to do so constitutes a breach of this Agreement. In such event, Contractor consents and agrees as follows:

- A. The County may, without prior notice to Contractor, immediately terminate this Agreement; and
- B. The County shall be entitled to collect from Contractor all payments made by the County to Contractor for which Contractor has not yet rendered services in accordance with this Agreement, and to collect the County's reasonable attorney's fees, court costs and service fees if it is necessary to bring action to recover such payments.

17. **SEVERABILITY.** If any covenant or other provision of this Agreement is invalid, or incapable of being enforced by reason of any rule of law or public policy, all other conditions and provisions of this Agreement shall, nevertheless, remain in full force and effect; and no covenant or provision shall be deemed dependent upon any other covenant or provision unless so expressed herein.

18. **ASSIGNMENT.** Contractor shall not assign any portion or the whole of this

Agreement without the prior written consent of the County.

19. **DISCONTINUANCE OF PROGRAM.** In the event Contractor should elect to discontinue this program, or file for bankruptcy, or participate in a reorganization, or go out of existence, or should a court of competent jurisdiction render a final decision in any way invalidating this Agreement or its purposes, Contractor shall remit any proceeds of this Agreement as are unexpended to the County.

20. **APPROPRIATION OF FUNDS.** Clinic and the County recognize that the County intends to satisfy its financial obligation to Clinic hereunder out of funds annually appropriated for that purpose by the County. County promises and covenants to make its best efforts to appropriate funds in accordance with this Agreement. In the event no funds or insufficient funds are appropriated and budgeted, or are otherwise unavailable by any means whatsoever for payment due hereunder, County shall immediately notify Clinic of this occurrence and this Agreement shall terminate on the last day for which appropriations were received, without penalty or expense to the County of any kind whatsoever, except as to the portions of the payment amounts herein agreed upon for which funds shall have been appropriated and budgeted or are otherwise available, or at any time after the last date that County has paid for the Services, if earlier.

County further agrees:

a. That any funds authorized or appropriated for services rendered under this Agreement shall be applied to the payments hereunder until all such funds are exhausted.



b. That County will use its best efforts to obtain authorization and appropriation of such funds including, without limitation, the inclusion in its annual budget, a request for adequate funds to meet its obligation under this Agreement in full.

21. **CONFIDENTIALITY.** Contractor's records concerning the identities of those participating in its programs shall be strictly confidential; the County shall be entitled to examine said records in performing its audit and review functions, but shall not disclose said identities to any third party in any fashion.

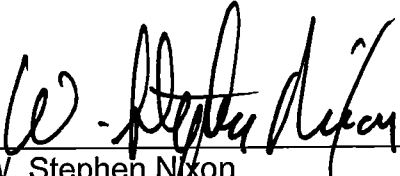
22. **COMPLIANCE WITH RFP.** At all times in connection with the performance of its services hereunder, Contractor agrees to comply with and abide by the General Conditions, Specifications, and Guidelines contained in the County's RFP No. 94-12. Failure to comply with the terms of the RFP shall be a breach, remediable under Paragraph 16 hereof. In the event of a conflict between any provision of this Agreement and a provision of the County's RFP No. 94-12, the provision of this Agreement shall govern.

23. **INDEMNIFICATION.** Contractor shall indemnify, defend and hold the County harmless from any and all claims, liabilities, damages, and costs (including reasonable attorney's fees directly related thereto) including but not limited to violation of civil rights and/or bodily injury to or death of any person and for damage to or destruction of property if and to the extent caused by the negligence, willful misconduct or omissions of Contractor during the performance of this Agreement.

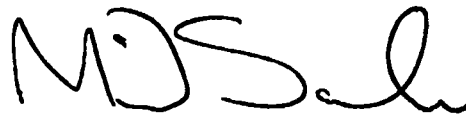
24. **INCORPORATION.** This Agreement incorporates the entire understanding and agreement of the parties.

IN WITNESS WHEREOF, the County and Contractor have executed this Agreement this 18<sup>th</sup> day of March, 2013.

APPROVED AS TO FORM:

  
\_\_\_\_\_  
W. Stephen Nixon  
County Counselor

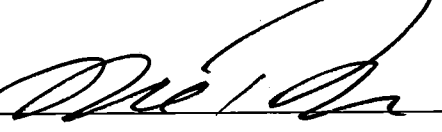
JACKSON COUNTY, MISSOURI

By   
\_\_\_\_\_  
Michael D. Sanders  
County Executive

ATTEST:

  
\_\_\_\_\_  
Mary Jo Spino  
Clerk of the Legislature

LEGAL AID OF WESTERN MISSOURI

By   
\_\_\_\_\_  
Title Dep Exec. Dir  
Federal Tax I.D. 43-0824638

**REVENUE CERTIFICATE**

I hereby certify that there is a balance otherwise unencumbered to the credit of the appropriation to which this Agreement is chargeable, and a cash balance otherwise unencumbered in the treasury from which payment is to be made, each sufficient to meet the obligation of \$38,000.00, which is hereby authorized.

March 14, 2013  
Date

  
\_\_\_\_\_  
Director of Finance and Purchasing  
Account #043-7001-56789

7001 2013 005



**HOUSING RESOURCES COMMISSION FUNDING REQUEST FORM  
2013 BUDGET**

**Copy 1**

415 E 12th Street, 2nd Floor  
Kansas City, MO 64106

Email: [hrc@jacksongov.org](mailto:hrc@jacksongov.org)

Section A: Organization or Agency Information . . . . . page 1  
Section B: Agency's 2012 and 2013 Revenue Information . . . . . page 2  
Section C: Individual Program Budget . . . . . page 3  
Section D: Program Information . . . . . pages 4 -10

**Section A: Organization or Agency Information**

Name: Legal Aid of Western Missouri

Full Address- City, State & Zip Code: 1125 Grand Blvd., Suite 1900, Kansas City, MO 64106

Phone No: (816) 474-6750

Fax: (816) 474-1578

Website Address: [www.LAWMo.org](http://www.LAWMo.org)

Federal Tax ID No: 43-0824638

Fiscal Year Cycle: January 1 - December 31

Executive Director:

Gregg Lombardi

Name and Title of Principal Contact Person:

Michael R. Rinard II, Deputy Executive Director

Phone No: (816) 474-1413 ext. 247

Email Address: [Mrinard@lawmo.org](mailto:Mrinard@lawmo.org)

Major Program Activity (ies) - Check Only Those Activities For Which You Are Requesting Funding:

Personal Services (Case Manager)

Bednights  Emergency Shelter  Transitional Living

Mortgage/Rent Assistance  Utilities  Other - Food Clothing

Submittal of this request has been authorized by: \_\_\_\_\_

Date: \_\_\_\_\_

## Section B: Agency's 2012 and 2013 Revenue Information

### Agency's 2013 Projected Revenue Information

Funding Entity	Agency's 2013 Total Projected Revenue Source You Will Request 2013 Funding From	Projected Amount	% of Total Revenue
Federal	Legal Service Corporation is 75% of Federal total	\$ 2,275,106	25
State	State Filing Fee and State Services to Victims Fund	\$ 923,664	10
Jackson County	Housing Resource Comm. and Mental Health Levy	\$ 75,000	1
Other Counties	none	\$ -	0
City	24% Community Development, 76% Municipal Defense	\$ 1,502,617	17
Charity/Donations	Gifts from foundations and other organizations	\$ 1,867,354	21
Fundraisers	Fundraising, United Way, and Cy Pres awards	\$ 1,296,332	14
Other	Interest, IOLTA, MO Bar dues, transfer from reserve	\$ 1,035,530	12
<b>2013 Total Projected Revenue</b>		<b>\$ 8,975,603</b>	<b>100</b>

### Agency's 2012 Revenue Information

Funding Entity	Agency's 2012 Total Revenue Source You Received Funding From	Amount	% of Total Revenue
Federal	Legal Service Corporation is 71% of Federal total	\$ 2,599,935	29
State	State Filing Fee and State Services to Victims Fund	\$ 984,082	11
Jackson County	Housing Resource Comm. and Mental Health Levy	\$ 75,000	1
Other Counties	none	\$ -	0
City	17% Community Development, 83% Municipal Defense	\$ 1,297,369	14
Charity/Donations	Gifts from foundations and other organizations	\$ 1,823,780	20
Fundraisers	Fundraising, United Way, and Cy Pres awards	\$ 1,137,312	13
Other (please list)	Interest, IOLTA, MO Bar dues, transfer from reserve	\$ 1,045,013	12
<b>2012 Total Revenue</b>		<b>\$ 8,962,491</b>	<b>100</b>

If your agency received funding from Jackson County in 2012, please identify the funding source, amount and program name below.

Jackson County Funding Source	Yes	No	Amount	Program Name
COMBAT	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	
Mental Health Levy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	\$ 40,000	Mental Health Diversion Court
Board of Services for Developmentally Disabled	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	
Domestic Violence Board	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	
Housing Resources Commission	<input checked="" type="checkbox"/>	<input type="checkbox"/>	\$ 35,000	Homelessness Prevention
Outside Agency Program	<input type="checkbox"/>	<input type="checkbox"/>	\$ -	
<b>2012 Total Jackson County Funding</b>			<b>\$ 75,000</b>	

**Section C: 2013 Budget (REVISED)**

**Agency: Legal Aid of Western Missouri**

**PERSONAL SERVICES**

For each salary request below please attach a job description of duties

Position / Title (Case Managers Only)	Annual Salary	to be funded by Jackson Co HRC	to be funded by Jackson Co HRC
Susan Kephart, Staff Attorney	72,520	44%	\$ 31,909
Lily Miller, Paralegal	35,850	0%	\$ -
Michael Duffy, Supervising Attorney	98,206	0%	\$ -
			\$ -
Fringe Benefits (limited to 20% of salaries)			\$ 6,091
<b>Total Personal Services</b>			<b>\$ 38,000</b>

**SHELTER ASSISTANCE - Bednights, Emergency Shelter, Transitional Living**

Maximum \$50 Per Individual / \$100 Per Family (Total \$300 Individual / \$500 Family)

Type: Bednights, Emergency Shelter, or Transitional Living	Unit Cost	Number of Units	Total Item Cost	2013 Jackson County HRC Request	Matching Funds	Total Item Cost
none			-			
			-			
			-			
<b>Total Shelter Assistance</b>				<b>\$ -</b>		

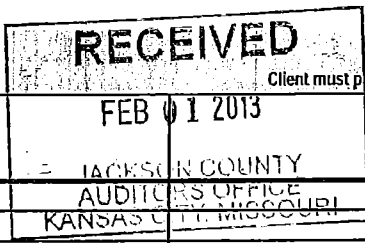
**MORTGAGE / RENTAL ASSISTANCE**

Client must provide statement of arrears or foreclosure from landlord (on letterhead) to qualify

Type: Mortgage or Rent	Unit Cost	Number of Units	Total Item Cost	2013 Jackson County HRC Request	Matching Funds	Total Item Cost
none			-			
			-			
			-			
<b>Total Mortgage / Rental Assistance</b>				<b>\$ -</b>		

**UTILITIES**

Client must provide statement of arrears on utility company letterhead to qualify



Type	\$300 Maximum Per Client	Number of Units	Total Item Cost	2013 Jackson County HRC Request	Matching Funds	Total Item Cost
none			-			
			-			
			-			
<b>Total Utilities</b>				<b>\$ -</b>		

**OTHER (Food, Clothing)**

Maximum of \$50 Per Individual / \$100 Per Family Per Year

Type: Please Describe	Unit Cost	Number of Units	Total Item Cost	2013 Jackson County HRC Request	Matching Funds	Total Item Cost
none			-			
			-			
<b>Total Other</b>				<b>\$ -</b>		

**TOTAL 2013 JACKSON COUNTY HRC REQUEST \$ 38,000**

## Agency History / Background

**Briefly describe your agency's history and background.**

Founded in 1964, Legal Aid of Western Missouri provides free civil legal assistance to people who need it most and can afford it least. With offices in downtown Kansas City, Joplin, St. Joseph, Warrensburg and a neighborhood office on Kansas City's west side, Legal Aid serves a 40-county area where 266,000 people live in poverty. Our work is highly cost-effective and addresses root causes of community problems. Legal Aid collaborates with other organizations working on housing, health care, public assistance, domestic violence and other issues to solve problems and provide our clients with holistic services that impact all areas of their lives.

With the downturn of the economy in 2008, the number of families facing legal issues related to poverty has increased significantly. Legal Aid works tirelessly with supporters and other community service providers to minimize this resource gap and to ensure that the needs of low-income communities throughout its service area are being addressed. In 2011, Legal Aid provided legal counsel and representation to 6,074 people. The 55,200 hours of corresponding free service dedicated to these cases, helped clients solve problems that seriously affected their ability to provide for themselves and their families.

Our primary areas of assistance include: representation of victims of domestic violence to obtain orders of protection and marital dissolution; representation of persons who are permanently disabled and cannot work in cases to gain them access to health care and social security income; representation of low-income tenants to maintain safe and affordable housing; representation of low-income homeowners facing foreclosure to preserve housing; and community development work to reduce blight caused by foreclosures and abandoned properties.

The demand for safe, clean and affordable low-income housing far exceeds the current supply. Legal Aid staff assists clients with such housing problems as lock-outs, utility shutoffs, illegal evictions, foreclosures, landlord-tenant disputes, habitability issues and housing discrimination. Without Legal Aid's representation, many families would lose their current housing with little hope of finding an alternative.

### **Program Background**

Historically, homeless shelters seldom cited foreclosure as the cause for even one of their client's homelessness. However, the economic crisis has dramatically changed that scenario. Fifteen percent of newly homeless people in the Midwest were evicted due to foreclosure.<sup>1</sup>

<sup>1</sup> Foreclosure to Homelessness: Forgotten Victims of the Subprime Crisis: National Coalition for the Homeless, 2009.

In Missouri, one in every 840 housing units received a foreclosure filing in December 2010 alone and foreclosures for 2011 were actually higher than in 2010— hitting the highest level ever since the county started tracking statistics in 1981. These statistics point to the importance of funding for Legal Aid's foreclosure prevention work.

Homeowners who lose housing to foreclosure frequently become homeless because they do not have money for rent or a rental security deposit. This problem is particularly severe for seniors who live on Social Security. Many seniors can only make ends meet because they own the home they live in and have very low monthly mortgage payments. When these seniors lose their homes to foreclosure, they cannot afford rental housing.

Legal Aid does not limit homeless prevention efforts to homeowners. Many people who become homeless due to foreclosure had been low-income renters whose landlords defaulted on the mortgage, leaving them scrambling for new housing with little notice. The risk for renters is particularly serious because as soon as they are sued for eviction by the foreclosing lender, it becomes extremely difficult for them to find alternative rental housing, simply because many landlords, as a matter of policy, will not rent to someone who is a defendant in an eviction lawsuit.

In 2009, as the result of funding from the Jackson County Housing Resource Commission, Legal Aid helped to secure the passage of Missouri legislation protecting renters living in foreclosed properties. Before the passage of this legislation, it was the regular practice of foreclosing lenders to sue the tenant for possession of the property essentially immediately after the foreclosure occurred, often without advance notice necessary to obtain new rental housing.

Legal Aid's Homelessness Prevention Team played a key role in protecting low-income renters in this situation through state legislative efforts. At the request of Missouri legislators, our staff attorney drafted legislation and provided testimony to support the proposal to extend the time renters have to vacate foreclosed properties. Federal legislation increased this time to 90 days; however, this federal law expires in 2012 and foreclosing lenders will revert to the state law that requires only a ten day notice to vacate. Roughly 25% of all foreclosure related evictions are of tenants living in housing that has been foreclosed upon. Accordingly, this housing legislation will help hundreds of Kansas City area tenants living in foreclosed houses and apartments in 2013.

Missouri legislators have requested the assistance of Legal Aid to amend current legislation to extend this notice period to 90 days, which will require attorney time and resources. Continued funding from the JCHRC in 2013 will allow Legal Aid to continue this work, while helping us represent more homeowners so they can avoid foreclosures. The bottom line is that JCHRC will also allow us to make sure that both homeowners and tenants avoid homelessness.

## Proposed Program

### Detail functions to be performed by each program.

Legal Aid is seeking continued funding from the Commission for our highly cost-effective homelessness prevention work. We are the only nonprofit agency in Jackson County that provides free legal assistance to homeowners and renters who are facing eviction as a result of foreclosures. If Legal Aid does not represent these clients, no one else will. Without the legal assistance Legal Aid provides, these clients and their families would likely become homeless. Furthermore, whereas a homeless shelter might provide housing for an individual for a few days or weeks, the work that Legal Aid does secures housing for our clients for months and often times for years.

Legal Aid's Homelessness Prevention (HP) Project includes: one full-time attorney, Susan Kephart; one part-time attorney, Michael Duffy; and one paralegal, Lily Miller. The HP team works to keep low-income Jackson County homeowners and renters, who are at risk of becoming homeless as a result of foreclosures, in their homes. Legal Aid's HP Team helps low-income homeowners in Jackson County avoid foreclosures. When foreclosure is unavoidable, the team counsels homeowners and renters to help them secure housing after the foreclosure.

#### **Project Description**

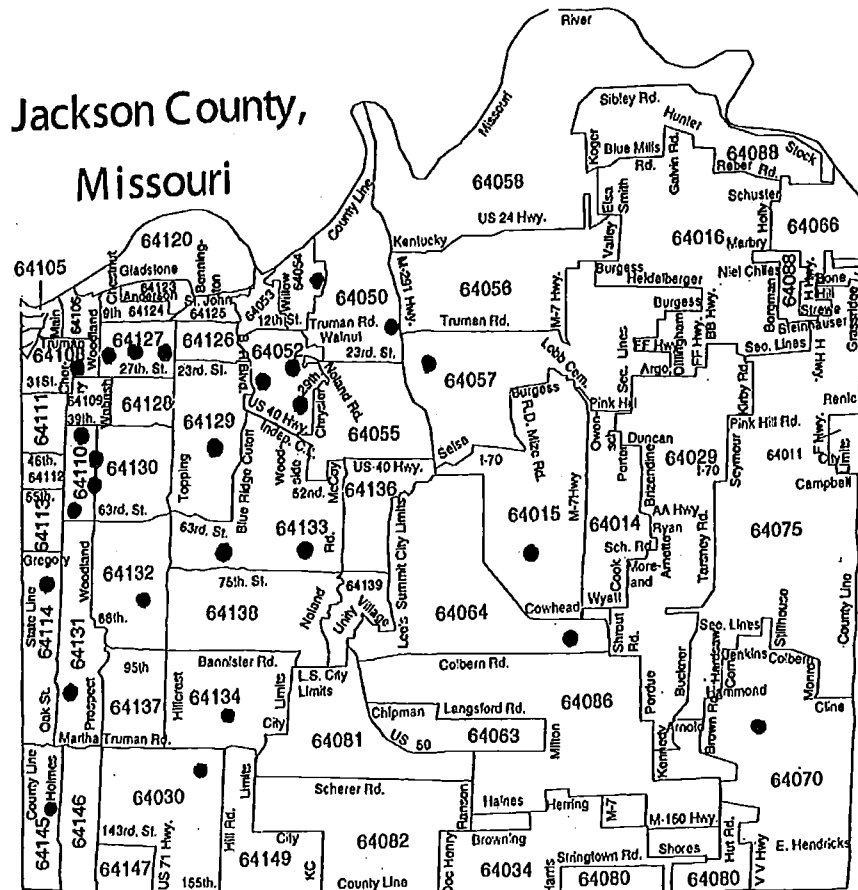
Legal Aid's Homelessness Prevention Project takes a pro-active approach to save the housing of Jackson County residents who are at high risk of becoming homeless. In the project one full-time attorney and one paralegal work to keep low-income Jackson County homeowners and renters, who are at risk of becoming homeless as a result of foreclosures, in their homes. Legal Aid's Homelessness Prevention Team helps low-income homeowners in Jackson County avoid foreclosures. The team does this by working with low-income homeowners and renters who are at risk of losing their homes as the result of foreclosure.<sup>2</sup> For property owners, we negotiate loan modifications or file for bankruptcy or other legal protection to save clients' homes. For renters, we ensure that the lender complies allows the renter the time required by law to find other housing prior to eviction. When foreclosure is unavoidable, we counsel homeowners and renters to help them secure housing afterward. Our strategies for preventing homelessness are detailed in the Approach and Method Section. Please note that, due to reduced funding Legal Aid has lost a staff member for the project for most of 2012. We are working diligently to try to secure funding for a second attorney to continue this important work.

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<sup>2</sup> For renters, the loss is due to the default of the property owner on their mortgage. In most cases, the renter is fully paid on their rent when the foreclosure occurs.



In 2013, the team will also work with state and local legislators to build on the legislative victories we helped secure for renters in foreclosed properties in 2009. In the first nine months of 2012, Legal Aid saved 20 homes from foreclosure for Jackson County residents, and stopped the eviction of five tenants living in rental properties that were foreclosed upon. The blue dots on the following map show the zip codes of residence for these clients.



Additionally in the first nine months of 2012, we provided legal counsel and advice to 70 homeowners and renters facing the possible loss of their home. That advice included information on loan modification programs and other loss mitigation options, such as Chapter 13 bankruptcy as a means of stopping a foreclosure sale. In addition to the clients we assisted, these cases impacted another 100 people living in these households. In the last quarter of this year, we anticipate preventing another seven foreclosures or evictions and providing legal counsel and advice for at least 15 more homeowners and renters. In cases where foreclosure and eviction were unavoidable, we provided information on: the foreclosure and eviction process, how to secure long-term housing after foreclosure, and advice regarding potential tax and other consequences.

### Project Staff

Project Attorney, Susan Kephart, has 32 years of experience in poverty law matters and has represented housing clients since 1997. She provides delinquency and default counseling for homeowners at risk of losing their homes, many of whom have been victimized by sub-prime lenders and fraudulent mortgage brokers, appraisers, and realtors. In 2005, Legal Aid was awarded a Fellowship by the National Consumer Law Center, and Ms. Kephart became the Predatory Lending Fellow at Legal Aid. She has performed loan document review work for over ten years and during that time has facilitated training on loan modifications and bankruptcy.

Lily Miller is the paralegal for the Foreclosure Prevention Project and has three years of housing counseling experience. She provides delinquency/default counseling for homeowners at risk of foreclosure. In May 2010, she attended the Neighborworks America training in Phoenix, Arizona where she completed the numerous sessions of *Foreclosure Intervention and Default Counseling* and was awarded certification by NCHCEC. Ms. Miller is also a notary.

Michael Duffy is the Supervising Attorney for Legal Aid's Economic Development Unit and a small portion of his time is allocated to the HP Project as a match for the Commission's funding. In 2013, Mr. Duffy will work with state and local leaders to build on the legislative victories we helped secure for renters in foreclosed properties in 2009. That year, working at the request of Missouri legislators, Mr. Duffy helped draft legislation that requires foreclosing lenders to give renters living in foreclosed properties at least ten days' notice before bringing action to evict tenants. He has been asked by the same legislators to continue working with them to draft legislation that will lengthen the notice period to 90 days.

Mr. Duffy began his work at Legal Aid in 1977 and has supervised a seven-year Fair Housing Enforcement Project, under HUD's FHIP program. He provides post-occupancy counseling for homeowners, working with community partners to rehab blighted and abandoned properties and convert them to high-quality rental or owner-occupied homes. In 2007, Legal Aid's Community Economic Development Unit organized the Task Force to address community development issues that have been caused by the foreclosure crisis. Mr. Duffy chairs this Task Force that includes representatives from local banks, Kansas City, City Council members, representatives of the Kansas City Federal Reserve Bank and FDIC, housing counseling agencies, neighborhood leaders, real estate agents, the City's dangerous buildings staff, HUD and other major community development stakeholders.

## Participants

**Identify the number of participants by County that each program serves.**

Jackson, MO	Will stop at least 20 foreclosures on owner-occupied housing or unlawful evictions of tenants residing in foreclosed properties. Additionally, where foreclosure is unavoidable, we will advise 70 homeowners and renters of the steps they can take to obtain rental housing after eviction.
Clay, Platte, Cass, MO	Clients in these counties are assisted by other funding sources.
Wyandotte, Johnson, KS	Not applicable, out of service area.
Other Missouri	Housing cases handled by Legal Aid offices in Joplin, St. Joseph, and Warrensburg are funded by other sources.

## Target Population

**Describe target population and demographics to be served by each program.**

Legal Aid's Homeless Prevention team is dedicated to representing low-income, Jackson County residents, many of whom are disabled or elderly, threatened with homelessness, focusing on those with incomes that fall within 125% of the federal poverty guideline. The problems our clients face include sub-prime loans with high interest rates, other predatory lending practices, job loss or reduction in employment resulting in delinquency on the home loan, and other debts that prevent the homeowner from staying current on their home loan.

We have seen a significant increase in middle-class clients who own fairly expensive homes but are facing a foreclosure sale due to a job loss and inability to find other employment. Legal Aid is open to working with the Commission to set whatever income and asset eligibility requirements the Commission deems appropriate for this project. Legal Aid provides foreclosure prevention representation to every low-income client who we believe has a viable legal basis for stopping the foreclosure on their home and who we have the capacity to serve. The need for free legal assistance has grown at an alarming rate during these tough economic times.<sup>3</sup>

Sixteen percent of this County's population (676,360) lives in poverty and 12.6% are age 65 or more. In the first nine months of 2012, this project served 148 low-income people<sup>4</sup>; of whom, 38% were seniors, 48% had permanent disabilities, and 51% indicated their ethnicity as African-American or other minority. Taking into account the approximately 600 Jackson County renters living in rental housing that are likely to be foreclosed upon in 2013 and who will benefit from the tenant protection legislation that Legal Aid worked on in the past and will work to expand in 2013, the actual cost of this work will be \$235.37 per benefited household.

## **CASE STORIES**

The following case summaries illustrate our target population. All client-identifying information has been changed to maintain confidentiality.



### **Ginny Smith**

Ginny is a 75-year-old widow who contacted Legal Aid after her mortgage company threatened to foreclose on her home of 47 years. She and her late husband had refinanced their home several times, and in the process had been defrauded by a series of predatory mortgage brokers and lenders, that charged excessive fees which were added to the mortgage debt. As a result, by the time Ginny contacted Legal Aid she owed substantially more than her home's value. Being upside down on her mortgage, she could not refinance with a reputable lender, and therefore struggled each month to pay her loan on her small Social Security income. Through Legal Aid's help in preparing and submitting a loan modification request, Ginny's mortgage loan was permanently modified. The modification dropped her interest rate from 8.3% to 3.05%, and the principal and interest portion of her mortgage payment was lowered to \$326 per month. Ginny can now afford to pay her mortgage, utilities, and living expenses, and is no longer facing the loss of her home.



### **Gloria Rodriguez**

Gloria, 54, owned her home free and clear, however, due to the expenses connected with the long-term illness and subsequent death of her husband, Gloria was not able to pay her Jackson County property taxes, and fell three years in arrears. Living on a small Social Security Disability Income of only \$938 per month, Gloria struggled to pay her taxes to avoid losing her home. Although she could pay approximately half of the unpaid taxes, Gloria still owed almost two years of delinquent taxes when her home was scheduled for a tax sale this year. To help Gloria save her home, Legal Aid filed a motion with the Jackson County Court requesting an extended tax redemption contract, and the judge granted Gloria the time she needed to pay her taxes. Additionally, Legal Aid advised Gloria of the Missouri Property Tax Credit Claim program, to obtain a partial refund of her annual property taxes, which she can then use to pay the next year's property taxes. Using this strategy, Gloria should be able to not only become and remain current in her tax payments, she will also no longer be at risk of losing her home.

### Service Delivery Area

Identify your specific geographic service delivery area for each program.

It is Legal Aid's mission to provide legal services to persons faced with economic barriers in obtaining representation and to provide this assistance in a manner that favorably resolves clients' immediate problems. Legal Aid is the only non-profit agency that provides free legal assistance to homeowners and tenants in Jackson County who are threatened with eviction and potential homelessness due to foreclosure. In this Homelessness Prevention Project, we also seek improvements in policies, practices and legislation to benefit the Jackson County community.

### Fund Separation

Indicate what measures your agency will take to ensure that funds received from Jackson County will be utilized for the benefit of Jackson County residents.

Legal Aid has been a JCHRC grantee for many years. We adhere to standard procedures for entering all client intake information into a secure database that includes case notes and outcomes. Reports from this custom database (called "Zasu") are utilized for operational oversight, contractual compliance and reporting to funders. These reports were the basis of a presentation to JCHRC monitors who visited Legal Aid on 11/14/12. We also receive annual documentation from our auditor demonstrating that our financial management systems satisfy the requirements in the applicable regulations at 24 CFR 84.21(b) & 85.20 and that our organization's audit which is in accordance with the OMB requirements as established in 24 CFR part 84.

Jackson County residents also benefit from referrals to collaborating agencies. Legal Aid augments client assistance by making referrals to organizations that provide other social services the same population in need. These include long-term partner agencies such as: Catholic Charities, Rose Brooks Center, Hope House, Consumer Credit Counseling Service, VITA Tax Sites, the Kansas City Neighborhood Alliance, [www.HUD.gov](http://www.HUD.gov), the Housing Information Center and the Missouri Housing Development Commission.

### Approach & Method

List the top three (3) objectives for each program.

1. To stop at least 20 foreclosures on owner-occupied housing or unlawful evictions of tenants residing in foreclosed properties;
2. Where foreclosure is unavoidable, to advise more than 70 homeowners and renters of the steps they can take to obtain rental housing after they lose their homes; and,
3. Assist, when called on, in legislative efforts to lengthen the notice period lenders are required to give renters living in foreclosed properties before bringing an eviction suit against them.

**Detail specific methods you will use to achieve these objectives.**

Legal Aid will continue using the following methods to achieve the objectives discussed above. Our past experience has shown that these are the most effective methods to keep people whose homes are being foreclosed upon from becoming homeless:

1. We will continue to stop foreclosures on owner-occupied housing before they happen. Among other approaches, Legal Aid will:
  - a. Evaluate client loan documents and loan histories to determine whether homeowners at risk of foreclosure have legal defenses to the foreclosure;
  - b. Negotiate with lenders and loan servicers to modify loans so that individual homeowners will be able to keep their homes;
  - c. File for Chapter 13 bankruptcy on behalf of the homeowner when the homeowner either has sufficient financial resources to come current on the mortgage, if given sufficient time to do so, or has particularly worthy defenses to prevent the foreclosure. In a Chapter 13 bankruptcy, the homeowner agrees to make all payments that are lawfully due on the mortgage on her or his home. The debt on the mortgage is not discharged in bankruptcy. Instead, the bankruptcy merely gives the homeowner more time to become current on the mortgage. Chapter 13 bankruptcies are often effective where homeowners have suffered relatively short-term job losses or medical conditions that have caused them to become delinquent on their mortgages.
  - d. File declaratory judgment actions or other actions in state or federal court to stop foreclosures, where that is a more appropriate option than bankruptcy.
2. We will stop unlawful evictions of renters living in foreclosed properties. Where a purchaser of a foreclosed property fails to give the renter living in the foreclosed property legally required notice before bring a court action to evict the renter from the property, we will negotiate with the purchaser to honor their legal obligation to provide at least 90 days' notice before evicting the tenant from the property (during which time the purchaser is allowed to collect rent) and where negotiations fail, bringing legal action to enforce the renter's right to remain in the property until the legally required notice is provided.
2. Where foreclosure is unavoidable, advise homeowners on the steps that they can take to obtain rental housing after they lose ownership of their homes, and provide similar advice to renters of foreclosed properties. For example:

- a. Homeowners may offer the lender to forego foreclosure and just surrender title of the house to the lender. A small number of lenders may pay the homeowner \$1,000 or more to do this in order to avoid the cost of foreclosure. The process is often referred to as “cash for keys.”
  - b. Renters may approach the lender and offer to continue paying rent until the foreclosed house is resold.
  - c. Encourage homeowners and renters to use whatever funds they can to save for security deposits and rent that they will need to have to rent a new apartment.
2. Use targeted advocacy efforts to encourage lenders and loan servicers to reduce the number of foreclosures that they pursue and, when foreclosure is unavoidable, to allow homeowners and renters to stay in their homes after the foreclosure has been completed. This is high-risk and high-reward work. Our work in 2009 resulted in major permanent protections for renters living in foreclosed properties in Missouri, but there was a serious risk that our work on that legislation could have resulted in no legislative change. With this said, we believe there is a good chance that legislative efforts in 2013 will allow us to expand the notice requirements protecting rental housing for hundreds of Jackson County residents. Still there is also a risk that this work will not result in any legislative change or policy changes by lenders. Efforts in this regard will include:
- a. Negotiating with lenders and loan servicers for policy changes that will allow *renters* to obtain earlier notice of foreclosure and stay in foreclosed properties;

Negotiating with lenders and loan servicers for policy changes that will allow *homeowners* to stay in foreclosed properties after the foreclosure has been completed, if they are willing and able to pay rent. Lenders have yet to consider this option seriously, but the reasons for adopting it are virtually identical to the reasons for allowing renters to remain in foreclosed properties; and/or drafting legislation and city ordinances, when requested to do so, that will encourage lenders and loan servicers to adopt policy changes allowing renters to obtain earlier notice of foreclosure, and *renters* and *homeowners* to remain in their homes after foreclosure.

## Evaluation

How can the success of each program be evaluated? Indicate performance measures or statistics you will use to demonstrate the success of each program.

Legal Aid's Deputy Executive Director, Michael Rinard, supervises the casework of this JCHRC grant-funded program. He also oversees Legal Aid's outer offices, HUD-funded housing counseling casework, and the agency-wide Medical Legal Partnership program. Mr. Rinard began at Legal Aid in 2003, is enthusiastic about our mission and has outstanding collaboration skills. He distinguished himself in multiple prior roles including: Joplin office staff attorney for protective orders; defense attorney for the Kansas City Municipal Court in the Central office; and, Managing Attorney for the St. Joseph office where he handled a wide range of casework and managed all office administration.

Mr. Rinard reviews cases to ensure appropriate handling and that outcomes are tracked in the computerized case tracking system. This system not only records specific case outcomes, but also family size, age, income and many other pieces of demographic information about each client. We also use this information to determine case acceptance. For example, a family with children in the home may be prioritized higher over a homeowner who is single because saving the family's home will prevent homelessness for more people. Similarly, an applicant with no financial resources will be given preference over someone with more resources because those with lower income are at greater risk of becoming homeless.

## Mental Health

How does your agency deal with mental health due to homelessness?

Legal Aid prioritizes housing applicants with disabilities, including clients with mental health issues because catering to *populations with special vulnerabilities* is part of our mission.\* However, serving persons who are mentally impaired is not a specific emphasis of this project because the potential of tenant eviction due to home foreclosures is an equal-opportunity hardship that can impact any renter and the adversity of impending homelessness is critical for all low-income homeowners facing foreclosure. As discussed in the section below, Legal Aid is highly attune to the needs of clients who have mental health issues and has two projects that greatly improve the lives of Jackson County residents who have mental health problems. In doing so, we greatly improve our clients' chances of overcoming homelessness.

\* Case acceptance is determined by priorities set by the community needs assessment Legal Aid conducts every four years. Current priorities are: Providing Safety, Security and Well-Being; Assisting Populations with Special Vulnerabilities; Providing Housing and Meeting Related Housing Needs; Preserving Families; Improving Outcomes for Children; Protecting Individual Rights; and, Maintaining, Enhancing and Protecting Economic Stability.



**WORK AUTHORIZATION AFFIDAVIT**

As a condition for any service provided to the County, a business entity shall, by sworn affidavit and provision of documentation, affirm its enrollment and participation in a federal work authorization program with respect to the employees working in connection with the contracted services.

Business entity, as defined in section 285.525, RSMo pertaining to section 285.530, RSMo, is any person or group of persons performing or engaging in any activity, enterprise, profession, or occupation for gain, benefit, advantage, or livelihood. The term "business entity" shall include but not be limited to self-employed individuals, partnerships, corporations, contractors, and subcontractors. The term "business entity" shall include any business entity that possesses a business permit, license, or tax certificate issued by the state, any business entity that is exempt by law from obtaining such a business permit, and any business entity that is operating unlawfully without such a business permit.

Every such business entity shall complete the following affidavit affirming that it does not knowingly employ any person who is an unauthorized alien in connection with the contracted services. The completed affidavit must be returned as a part of the contract documentation.

*Legal Aid of Western Missouri*

This affidavit affirms that ~~Contracting AGENCY~~, (Organization name) is enrolled in, and is currently participating in, E-verify or any other equivalent electronic verification of work authorization operated by the United States Department of Homeland Security under the Immigration Reform and Control Act of 1986 (IRCA); and, ~~Contracting AGENCY~~, does not knowingly employ any person who is an unauthorized alien in conjunction with the contracted services.

*Legal Aid of Western Missouri*

In Affirmation thereof, the facts stated above are true and correct. (The undersigned understands that false statements made in this filing are subject to the penalties provided under section 575.040, RSMo.)

*Gregg Lombardi*  
\_\_\_\_\_  
Authorized Representative's Signature

Gregg Lombardi  
\_\_\_\_\_  
Printed Name

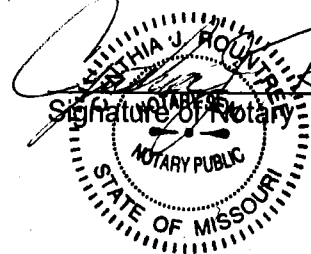
Executive Director  
\_\_\_\_\_  
Title

*2/23/13*  
\_\_\_\_\_  
Date

Subscribed and sworn before me this *23rd* day of February, 2013. I am commissioned as a notary public within the County of Jackson, State of Missouri, and my commission expires on 11/5/2014.

*Cynthia J. Rountree*  
\_\_\_\_\_  
Signature of Notary

*2/25/13*  
\_\_\_\_\_  
Date



CYNTHIA J. ROUNTREE  
Notary Public - State of Missouri  
JACKSON COUNTY  
My Commission Expires Nov. 5, 2014  
Commission # 10432622