JOPLIN CITY COUNCIL
WORK SESSION
MONDAY, FEBRUARY 10, 2025
5TH FLOOR COUNCIL CHAMBERS
602 S. MAIN ST.
5:45 P.M.

Notice is hereby given that the City Council of the City of Joplin, Missouri, will hold a work session beginning at 5:45 p.m. on Monday, February 10, 2025, in the 5th Floor Council Chambers, 602 S. Main Street to discuss the topics below. This meeting can be view via livestream at http://www.joplinmo.org/182/Video-Multimedia

AGENDA

1. Pathways to CDFI Certification Report
2. Council Goals Addressing Homelessness

Notice posted at 12:00 pm on this 6th day of February 2025. (RSMo 610.020)

The City of Joplin is committed to comply with the Americans Disability Act. The Joplin City Council Chambers is wheelchair accessible. Request for reasonable special accommodations must be made 48 hours prior to the meeting. Please email the City Clerk's office at hnagy@joplinmo.org or call (417) 624-0820 ext. 1220 for assistance.

Ad Omnia Parata

City of Joplin

Pathways to CDFI Certification

Introduction to CBO Financial & Vukas Capital Advisors

CBO Financial, Inc.

- CBO Financial, Inc., established in 1999, has channeled over $1 billion into projects aimed at revitalizing distressed communities.
- A subsidiary received $150M in New Markets Tax Credits across six awards, in addition to securing $800M in NMTCs for clients.
- Leads application processes for CDFI Certification and federal funding programs.

Vukas Capital Advisors

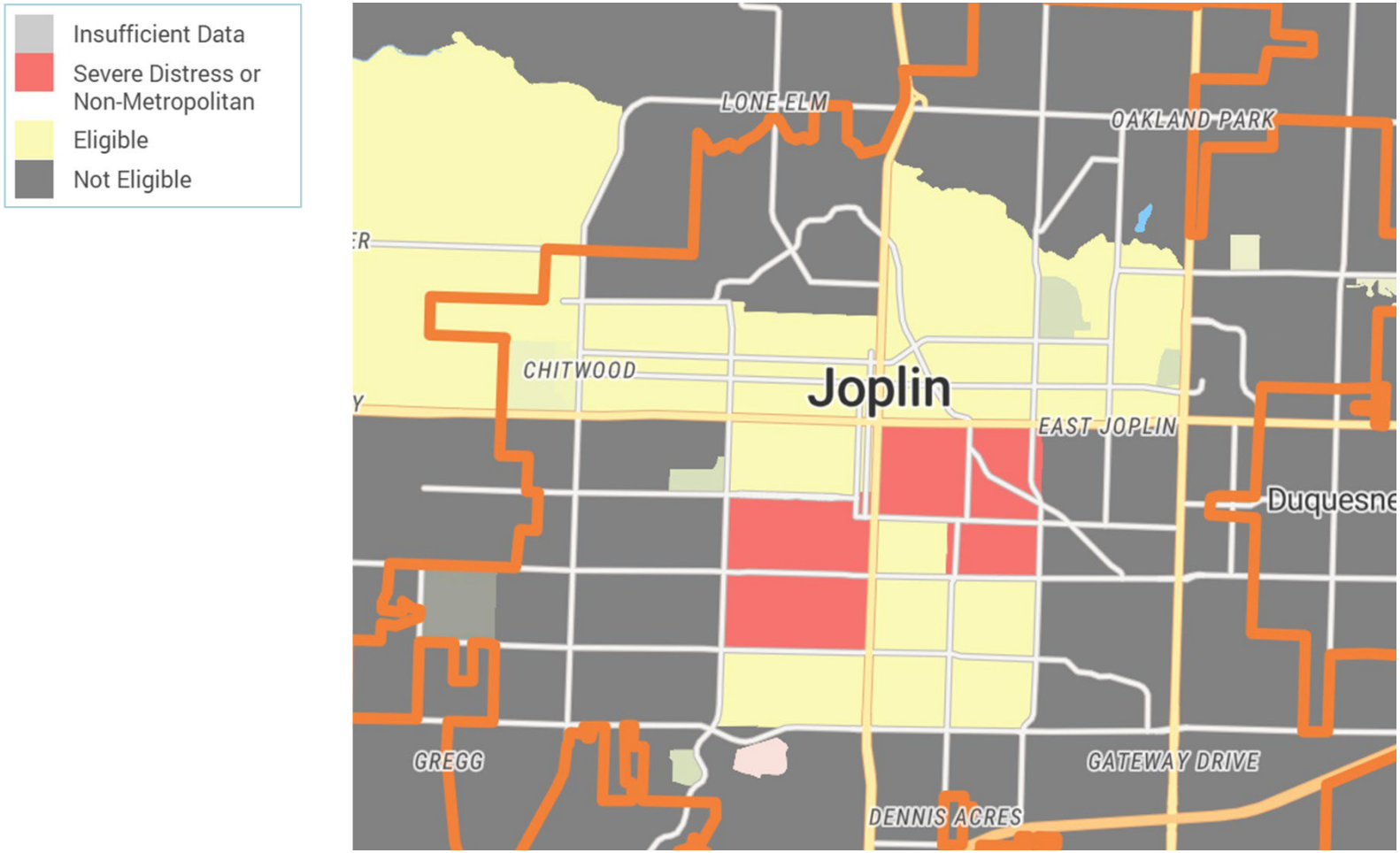
- Chris Vukas has 23 years of experience in community development, securing over $192M in NMTCs over the past eight years.
- Managed over $500M in NMTC transactions, specializing in Native American NMTC projects.
- Successful projects include urban grocery stores, hospital expansions, student housing conversions, and infrastructure projects within the Navajo Nation.

CDFI Certification Benefits

CDFI Certification = Eligibility for CDFI Fund Programs: grants access to a range of funding programs aimed at supporting community development, including:

- Technical Assistance Award Program: Grants up to $125,000 for capacity development
- Capital Magnet Fund: Up to $15M grants for affordable housing and economic development
- New Markets Tax Credit Program: Provides flexible gap financing for low-income community projects
- CDFI Bond Guarantee Program: Treasury guarantees notes/bonds for long-term, fixed-rate capital to support CDFI investments
- Small Dollar Loan Program: Grants up to $500K for financial assistance to low-income borrowers
- Financial Assistance Award Program: Up to $2M matching grant for expanding products and services, including three sub-programs:
    - Healthy Food Financing Initiative: Up to $10M to improve access to healthy foods
    - Persistent Poverty Counties: Up to $600K for long-term poverty alleviation
    - Disability Funds – Financial Assistance: Up to $1M for services to individuals with disabilities

Eligible Census Tracts



Pathways to Certification

- Technical Assistance Grant: Secure $125K in initial funding to build capacity for CDFI establishment
- Partnerships with Local Financial Institutions: Fund applications and direct resources to Joplin
- Establish a Revolving Loan Fund: Allocate municipal funds to create a loan fund, make initial loans (no minimum) and prepare for CDFI certification

Recommendations

1) Apply for a Technical Assistance Grant: $125,000 for building capacity, internal staff, and external consultants

2) Reach out to Existing Financial Institutions: Explore partnership opportunities to jointly apply for CDFI Certification (if needed) and funding programs

3) Capitalize a Revolving Fund: Start making loans by FYE October 31 to submit CDFI Certification Application by end of 2024

Q&A Session

Thank you

Chris Vukas
Vukas Capital Advisors, LLC
913-899-7173
chris@vukascapital.com
www.vukascapital.com

Craig Stanley
CBO Financial, Inc.
410-730-0490
cstanley@cbofinancial.com
www.cbofinancial.com

City of Joplin, MO
Pathways to CDFI Certification

A report drafted according to requirements set forth in RFP #2024-RFP-6 entitled "Professional Services for Community Development Financial Institutions/New Market Tax Credits"

Submitted by CBO Financial and Vukas Capital Advisors to:

City of Joplin, MO

Planning, Zoning and Neighborhood Services

TABLE OF CONTENTS

Executive Summary 3

Delineation of CDFI Eligible Census Tracts 4

Recent Changes to CDFI Certification Requirements 4

CDFI Certification Eligibility Requirements 5

Target Market Requirements 6

CDFI Programs for Housing and Economic Development 9

CDFI Fund Programs FY2024 9

Clean Communities Investment Accelerator (CCIA) Funding 10

Financial Institution CDFI Programs 11

Potential Pathways to CDFI Certification 12

Collaboration with an Existing Financial Institution 12

Credit Unions 13

Community Development Financial Institutions (CDFIs) 13

Banks 14

Non-Bank Lenders 15

Establish a Loan Fund 16

Reactivate the Joplin Community Redevelopment Fund, LLC 16

Anticipated Fees 17

Recommendations 17

Next Steps and Timeline 18

Key Next Steps 18

Timeline 18

Partner with Existing Financial Institutions 19

Capitalize a Loan Fund & Apply for CDFI Certification 21

Summary 23

EXECUTIVE SUMMARY

Introduction

The City of Joplin, Missouri, has recognized the need for a Community Development Financial Institution (CDFI) to address market and resource shortages in economic development and housing investment. This report evaluates the feasibility of establishing a CDFI in Joplin, outlines the steps for achieving CDFI designation, and provides strategic recommendations for leveraging CDFI benefits to support the city's economic growth.

CDFI Certification Eligibility

To be certified as a CDFI, an organization must meet several criteria, including having a primary mission of community development, being a financing entity, serving target markets, providing development services, maintaining accountability, and being a non-government entity. This report details these requirements and assesses potential candidates in Joplin that could meet these criteria.

Target Market Requirements

CDFIs must serve specific target markets, such as Investment Areas (IAs) with high poverty or unemployment rates, Low-Income Targeted Populations (LITP), or other designated populations. The report identifies eligible census tracts in Joplin and provides a demographic analysis to ensure alignment with CDFI target market requirements.

CDFI Programs for Housing and Economic Development

CDFI certification grants access to a range of funding programs aimed at supporting community development, including:

- Technical Assistance Awards for capacity building.
- **Financial Assistance Awards** for expanding products and services.
- **Capital Magnet Fund** for affordable housing and economic development.
- **New Markets Tax Credit Program** for gap financing in low-income communities.
- **Bond Guarantee Program** for long-term capital.
- **Small Dollar Loan Program** for affordable small loans.
- Clean Communities Investment Accelerator (CCIA) Funding for environmentally friendly projects.

Potential Pathways to CDFI Certification

The report outlines several pathways for establishing a CDFI in Joplin:

1) **Collaboration with Existing Financial Institutions**: Partnering with local banks, credit unions, or existing CDFIs to achieve certification and access funding.

2) **Establishing a Loan Fund**: Capitalizing a municipal loan fund and making initial loans, followed by transitioning to a non-profit entity for CDFI certification.

Recommendations
To move forward with CDFI certification and maximize benefits for Joplin, the report recommends:

1) **Applying for Technical Assistance Grants**: Secure initial funding to build capacity for CDFI establishment.

2) **Funding Applications for Existing Financial Institutions**: Partner with local financial institutions to fund applications and direct resources to Joplin.

3) **Capitalizing a Revolving Loan Fund**: Allocate municipal funds to create a loan fund, make initial loans, and prepare for CDFI certification.

Conclusion

The establishment of a CDFI in Joplin offers significant potential to address local economic and housing challenges, attract investment, and foster sustainable development. By following the outlined pathways and recommendations, the City of Joplin can successfully achieve CDFI certification and leverage the associated benefits to support its long-term growth and prosperity.

DELINEATION OF CDFI ELIGIBLE CENSUS TRACTS

Certification as a Community Development Financial Institution (CDFI) is provided by the CDFI Fund, an agency within the U.S. Treasury Department. Benefits of certification include:

- Access to specialized funding sources and grants from the CDFI Fund and institutional investors dedicated to supporting community development initiatives.
- Ability to provide affordable, below market financial products and services tailored to the needs of underserved communities.
- Opportunity to actively contribute to local economic development, job creation, and revitalization efforts.
- Potential for collaboration and partnerships with government agencies, institutional investors, nonprofits, and other financial institutions.

RECENT CHANGES TO CDFI CERTIFICATION REQUIREMENTS

The CDFI Fund has implemented significant updates to the CDFI Certification process, effective April 2023, aiming to maintain the integrity and effectiveness of CDFIs. These changes include stringent criteria for responsible financing practices and enhanced accountability measures. Specifically, CDFIs must have a board-approved mission statement and strategic plan that demonstrates a purposeful mission of serving disadvantaged areas and populations, dated at least six months prior to applying for certification. Additionally, the application process now demands rigorous data collection and reporting to ensure compliance with mission-driven objectives.

These revisions address several issues, such as safeguarding government resources and verifying the community development mission of CDFIs. The goal is to eliminate bad actors from the industry, enhancing the overall credibility and impact of certified institutions. All existing CDFIs are required to recertify under these new guidelines by December 2025, ensuring that only those committed to ethical and effective community development remain certified.

These tightened requirements come as CDFIs have increasingly played a critical role in deploying federal funds to disadvantaged communities, particularly during crises. For example, during the pandemic, programs like the Rapid

Recovery Program and the Equitable Recovery Program were designed to quickly and broadly deploy capital to Certified CDFIs through a streamlined application and evaluation methodology. As of February 2023 there were 1,403 certified CDFIs; the Rapid Recovery Program made 863 awards (62%), and the Equitable Recovery program made 604 (43%) to CDFIs, reinforcing their importance in the economic development landscape. These programs helped communities recover by ensuring access to capital and financial services when traditional banks might have been less accessible.

The tightened certification requirements reflect the CDFI Fund's commitment to ensuring that these institutions can effectively manage and deploy federal resources. By raising the standards, the Fund aims to promote responsible lending practices and ensure that CDFIs remain true to their mission of serving low-income and underserved communities.

For the City of Joplin, these changes present a strategic advantage. Establishing a new CDFI under these stricter regulations ensures compliance from the onset, fostering trust and eligibility for various funding programs. This proactive alignment with the updated standards positions Joplin's CDFI to better serve its target markets and leverage federal resources for local economic growth and development.

CDFI CERTIFICATION ELIGIBILITY REQUIREMENTS

In order to be certified as a CDFI, a financial institution must meet the following seven criteria at the time a CDFI Certification Application is submitted:

1) **Legal Entity**: The organization must be a legally established entity.

2) **Primary Mission**: It must have a primary mission focused on promoting community development with a board approved, purposeful mission statement to serve disadvantaged communities and/or populations.

3) **Financing Entity**: The organization must be a financing entity that predominantly engages in providing arm's-length, on-balance sheet Financial Products and/or Financial Services, for at least one full fiscal year.

4) **Target Markets**: The entity must primarily serve one or more Target Markets with its arm's-length, on-balance sheet Financial Products and, if elected, Financial Services.

5) **Development Services**: It must provide at least one Development Service in conjunction with its arm's-length, on-balance sheet Financial Products. Development Services are structured training, counseling, or technical assistance services provided by a CDFI, its Affiliate, or contractor to promote community development and assist current or potential borrowers or investees in using the CDFI's Financial Products or Financial Services. These services must be offered regularly, have a defined curriculum or set of goals, and aim to increase clients' knowledge or ability to access financial products and services. Development Services can be delivered in various formats, including in-person or online, with or without a live instructor.

6) **Accountability**: The organization must maintain accountability to its defined Target Market(s) by having a Governing and/or Advisory board that is majority comprised of individuals who are accountable to the Target Market by being a resident of, or business owner in a low income census tract, an executive of an organization with a primary mission of serving disadvantaged communities, and/or a member of a Targeted Population.

7) **Non-Government Entity**: It must be a non-government entity and not under the control of any government entity, with the exception of Tribal governments.

TARGET MARKET REQUIREMENTS

To be certified as a CDFI, the applicant must be actively engaged in providing Financial Services and/or Financial Products to its Target Market as of the date the application is submitted to the CDFI Fund, a minimum of one transaction in the last full fiscal year.

The applicant must demonstrate that a minimum of 60% of its financing activities are to its Target Market(s), both in the amount of financing provided and number of transactions.

There are three Approved Target Market options for designating a Target Market, which can be selected individually or in combination with one another:

1) **Investment Area (IA):** census tracts with greater than 20% poverty, less than 80% of median family income for the area, or more than 1.5X the national unemployment rate. The maps on the next page indicate the City of Joplin's Census Tracts that meet the Investment Area criteria.

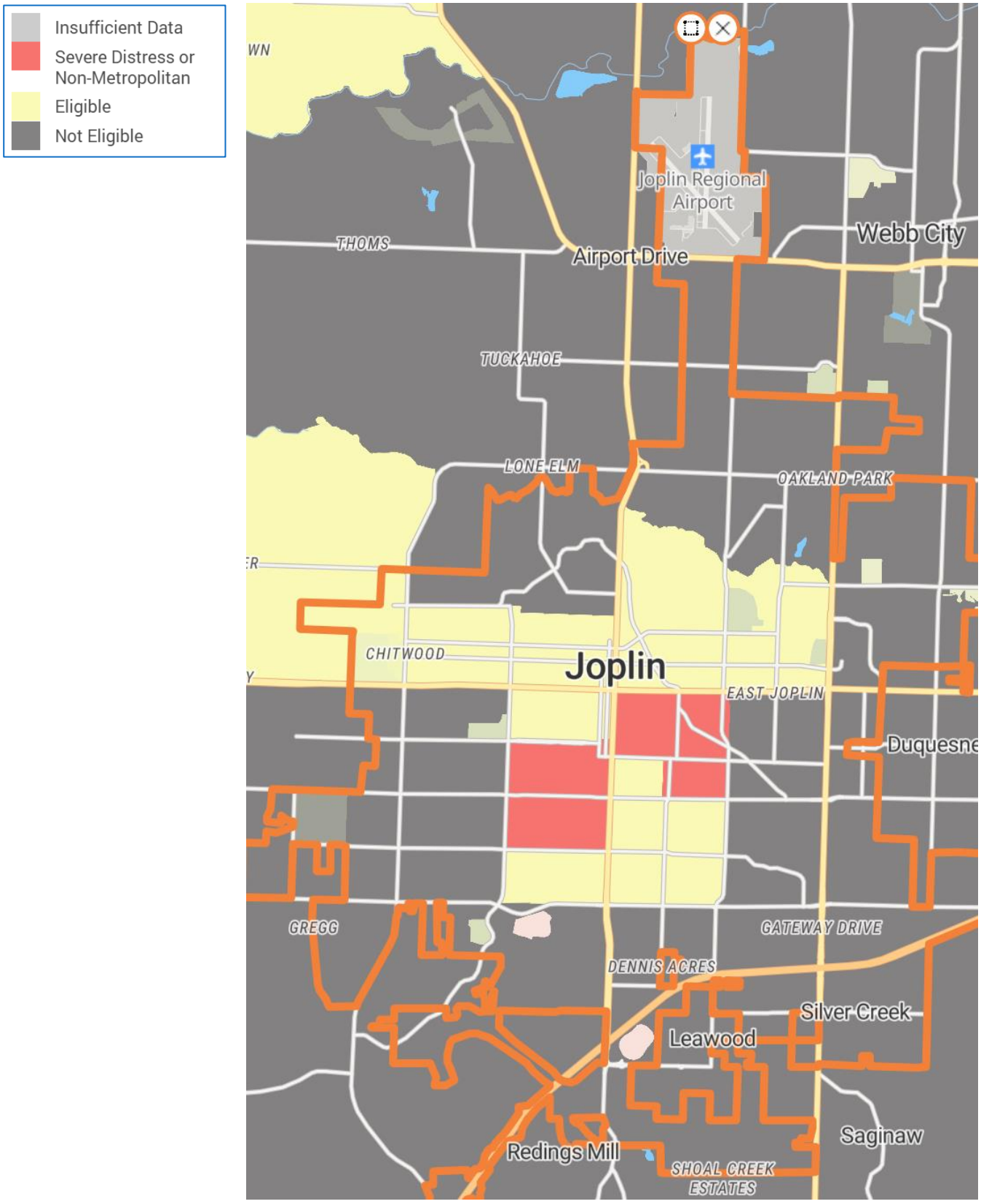
2) **Low-Income Targeted Populations (LITP):** individuals or families that qualify as low-income based on their family income being 80% of less of the area median family income. According to the U.S. Census Bureau, as of July 1, 2023 the City of Joplin's median household income was $50,996, which is 70% of the Area Median Family Income of $72,827, and 44% of the city's 51,802 population is Low Income (23k individuals).

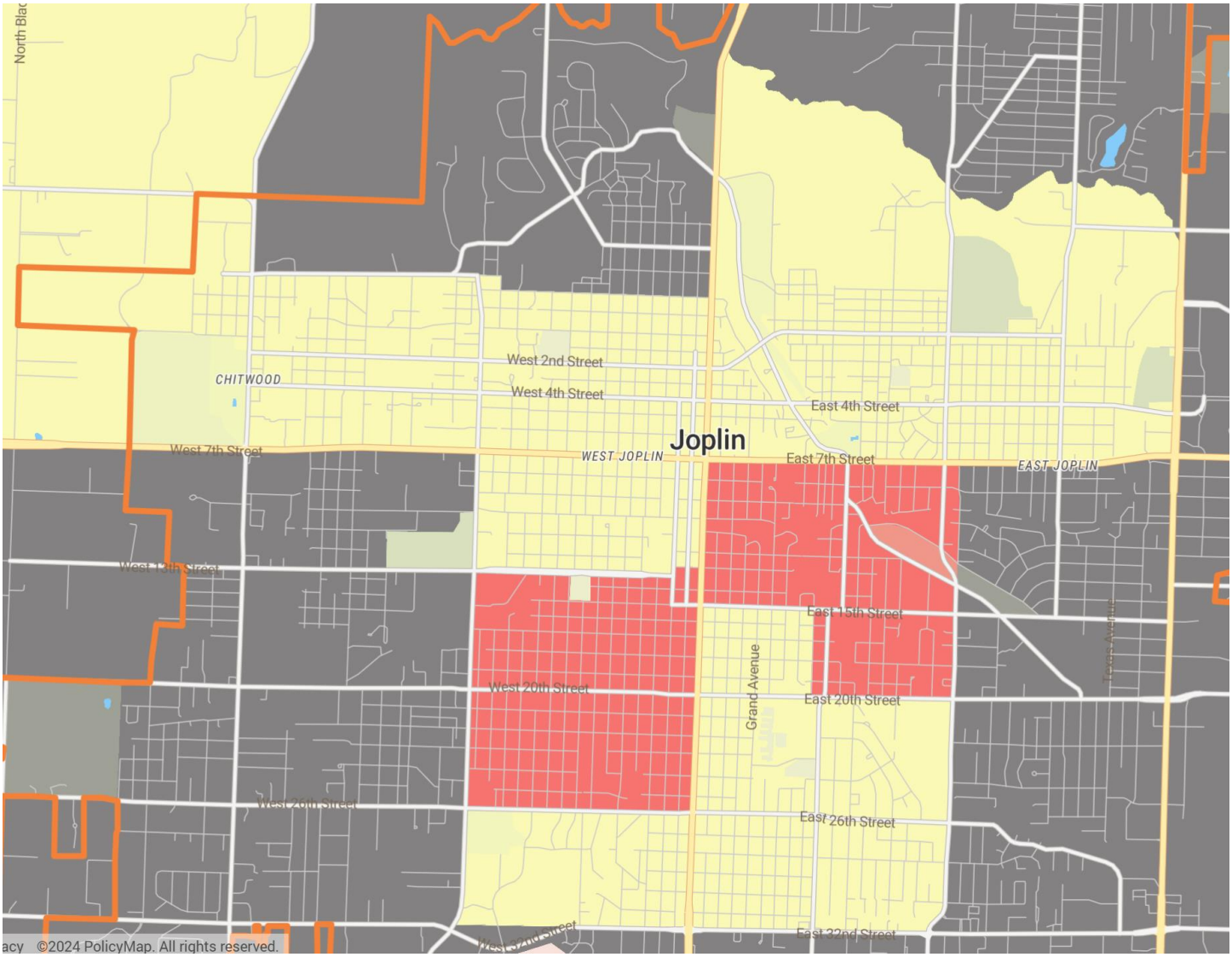
3) **Other Targeted Population (OTP)**
   - OTP - Native American
   - OTP - Native Alaskan
   - OTP - African American
   - OTP - Native Hawaiian
   - OTP - Other Pacific Islander
   - OTP - Persons with Disabilities
   - OTP - Hispanic
   - OTP - Filipino
   - OTP – Vietnamese
   - Certified CDFIs

Joplin's ethnicity breaks down as follows:

City of Joplin Ethnicity	
U.S. Census as of July 1, 2023	%
White alone, percent	84.90%
Black or African American alone, percent	2.80%
American Indian and Alaska Native alone, percent	1.10%
Asian alone, percent	1.90%
Native Hawaiian and Other Pacific Islander alone, percent	0.40%
Two or More Races, percent	7.10%
Hispanic or Latino, percent	7.20%

Eligible census tracts are identified in the image below:


Insufficient Data
Severe Distress or Non-Metropolitan
Eligible
Not Eligible
Joplin Regional Airport
Webb City
THOMS
Airport Drive
TUCKAHOE
LONE ELM
OAKLAND PARK
CHITWOOD
Joplin
EAST JOPLIN
Duquesne
GREGG
GATEWAY DRIVE
DENNIS ACRES
Silver Creek
Leawood
Saginaw
Redings Mill
SHOAL CREEK ESTATES


Joplin
CHITWOOD
WEST JOPLIN
EAST JOPLIN
West 2nd Street
West 4th Street
East 4th Street
West 7th Street
East 7th Street
East 15th Street
West 20th Street
East 20th Street
Grand Avenue
East 26th Street
East 32nd Street
©2024 PolicyMap. All rights reserved.

CDFI PROGRAMS FOR HOUSING AND ECONOMIC DEVELOPMENT

CDFI FUND PROGRAMS FY2024

Having CDFI Certification makes an organization eligible to apply for the following funding programs offered by the CDFI Fund:

1) **Technical Assistance Award Program (TA):** grants of up to $125,000 are used for capacity development that is integral to CDFIs' organizational sustainability and success. CDFIs often use these flexible awards to purchase equipment; hire consulting or contracting services; pay salaries and benefits; or train staff or board members. Aspiring CDFIs often apply for this first, as it is the only program where it is not necessary to already be certified.

2) **Financial Assistance Award Program (FA):** provides up to a $2M matching grant to help CDFIs sustain and expand products and services. FA awards can be used for lending capital, loan loss reserves, capital reserves, operations, and development services. There are three additional sub-programs that can be applied for at the same time:

    a) **Healthy Food Financing Initiative (HFFI-FA):** up to $10M for CDFIs that aim to improve access to healthy foods in underserved areas with a focus on food deserts. Funds can be used for lending capital, loan loss reserves, and operational expenses related to projects that increase the availability of nutritious food options. This includes financing for grocery stores, mobile food retailers, farmers' markets, and food hubs. Locally these funds could be used by organizations like the Empire Market, which has 30+ vendors selling items they have made or grown themselves, and Alliance of SW Missouri's "Pop-Up Produce Program," which is a farm to table program benefiting local growers.

    b) **Persistent Poverty Counties (PPC-FA):** up to $600K for CDFIs operating in counties where 20% or more of the population has lived below the poverty line for the last 30 years, as defined by U.S. Census data. The focus is on long-term poverty alleviation and economic development. Funds are allocated towards projects that stimulate economic growth and job creation in persistent poverty counties, including small business lending, affordable housing projects, and community facilities development. Missouri has 12 persistent poverty counties; neither Jasper nor Newton County qualifies.

    c) **Disability Funds (DF-FA):** up to $1M for CDFIs that provide financial products and services to individuals with disabilities or companies that offer products or services benefiting this demographic are eligible. The program aims to enhance economic independence and access to financial services for people with disabilities. Funds may be used for developing and offering financial products tailored to the needs of individuals with disabilities, including accessible banking services, loan products for disability-related expenses, and business loans for companies providing adaptive services or employment to individuals with disabilities. This funding could be particularly beneficial for Joplin, where accessible housing is limited and small businesses face significant burdens in retrofitting commercial properties and adapting services for disabled individuals.

3) **Capital Magnet Fund (CMF):** up to $15M grants to CDFIs and qualified nonprofit housing organizations. Funds can be used to finance affordable housing activities as well as related economic development activities and community service facilities. Awardees will be able to utilize financing tools such as loan loss reserves, loan funds, risk-sharing loans, and loan guarantees to produce eligible activities whose aggregate costs are at least ten times the size of the award amount.

4) **New Markets Tax Credit Program (NMTC):** The primary objective of the NMTC program is to provide flexible gap financing to projects in low income communities that cannot attract sufficient capital to

proceed from conventional sources. NMTCs can provide approximately 25% of project costs in flexible financing that does not need to be repaid; in order to be eligible for NMTCs a project must be located in a low-income Census Tract or serve or employ a majority low-income population. There are two ways to access NMTCs; the first is to secure credits from existing organizations (known as Community Development Entities or CDEs) that have allocation available, the second is to apply directly. The first option is most appropriate for individual projects in the $5M to $50M range that have most required funding secured but have a gap of up to 25% or so of project cost, which could be filled by NMTCs. The second option, applying to the Treasury Department for a direct allocation of NMTCs, is appropriate for organizations with a pipeline of projects; having an allocation allows them to provide flexible financing and subsidies to projects of their choice.

5) **CDFI Bond Guarantee Program (BGP):** was enacted in 2010 and directs the Treasury Department to guarantee the full amount of notes or bonds issued to support Community Development Financial Institutions (CDFIs) that make investments for eligible community or economic development purposes. The bonds or notes will support CDFI lending and investment by providing a source of long-term, patient capital to CDFIs. Authorized uses of the loans financed may include a variety of financial activities, such as supporting commercial facilities that promote revitalization, community stability, and job creation/retention; community facilities; the provision of basic financial services; housing that is principally affordable to low-income people; businesses that provide jobs for low-income people or are owned by low-income people; and infrastructure improvements in low-income or underserved areas. The program is administered through CDFIs certified as "Qualified Issuers," which assemble multiple CDFIs with combined financing requirements of $100M or more; there is a $10M minimum request per CDFI.

6) **Small Dollar Loan Program (SDL):** a grant of up to $500K to provide financial assistance to low-income borrowers, offering an alternative to high-cost, small dollar lending options such as payday lenders and check-cashing outlets and expand consumer access to financial institutions, thereby facilitating the integration of unbanked and underbanked populations into the mainstream financial system. Loan amounts do not exceed $2,500 and are repaid in installments, enhancing affordability and manageability for borrowers, there are no prepayment penalties and payments are reported to at least one consumer credit reporting agency, aiding in the building or improvement of credit scores for borrowers. Grant funds can be used to establish a loan loss reserve to support lending to individuals.

CLEAN COMMUNITIES INVESTMENT ACCELERATOR (CCIA) FUNDING

The Clean Communities Investment Accelerator (CCIA) program, an initiative contained in the Inflation Reduction Act, has awarded $6 billion for capitalization and technical assistance to mission-driven lenders in low-income communities. Five selected applicants are establishing hubs to provide subgrants to hundreds of community lenders, including CDFIs. These recipients will make subgrants of up to $10M for capitalization and $1M for technical assistance to expand or establish environmentally friendly lending programs, helping to enhance infrastructure and support environmental projects in low-income and disadvantaged communities. The program aims to finance critical environmental projects such as distributed energy, net-zero emissions buildings, and zero-emissions transportation.

Recipients of CCIA Funding

- **Opportunity Finance Network (OFN)**: Awarded $2.29 billion, OFN is a nationwide membership organization of CDFIs and will make subgrants to its members. Website: ofn.org.

- **Inclusiv**: Awarded $1.87 billion, Inclusiv operates nationwide, managing a network of 924 credit unions with $330 billion in assets. They are pioneers in solar and green finance training. Website: inclusiv.org.

- **Justice Climate Fund (JCF)**: Awarded $940M, JCF focuses on empowering over 1,000 community lenders to provide financial assistance to low-income and disadvantaged communities nationwide. Website: justiceclimatefund.org.

- **Appalachian Community Capital (ACC)**: Awarded $500M, ACC connects over 400 community lenders, focusing on rural and Tribal communities across the U.S. Website: appalachiancommunitycapital.org.

- **Native CDFI Network**: Awarded $400M, this network serves Native communities nationwide through 63 community lenders, including 58 Native CDFIs. Website: nativecdfi.net.

FINANCIAL INSTITUTION CDFI PROGRAMS

CDFIs have access to a range of funding opportunities designed to support their mission of providing financial services in underserved communities. Apart from the CDFI Fund, many financial institutions also have dedicated programs to fund and support CDFIs. These programs typically focus on providing capital, technical assistance, and other resources to help CDFIs expand their reach and impact.

Examples of Financial Institutions' Programs for CDFIs:

1. **Bank of America: CDFI Investment Program:** Bank of America invests directly in CDFIs through equity investments, loans, and grants. The bank has committed billions of dollars to support CDFIs, focusing on affordable housing, economic development, and small business growth in underserved communities.

2. **Wells Fargo:**

    - **Wells Fargo CDFI Program:** Wells Fargo offers financial and technical support to CDFIs, including grants and low-interest loans. The program aims to strengthen the capacity of CDFIs to provide affordable housing, small business loans, and community development services.

    - **Diverse Community Capital Program:** This initiative provides capital and technical assistance to CDFIs that support diverse small businesses.

3. **Goldman Sachs:**

    - **10,000 Small Businesses CDFI Initiative:** Goldman Sachs partners with CDFIs to provide loans and technical assistance to small businesses. The initiative aims to promote economic growth by supporting entrepreneurs and small business owners in underserved areas.

    - **Urban Investment Group:** Through this program, Goldman Sachs invests in CDFIs that focus on community development projects, such as affordable housing, healthcare facilities, and educational institutions.

4. **JPMorgan Chase:**

    - **ProNeighborhoods Program:** JPMorgan Chase provides grants and investments to CDFIs through its ProNeighborhoods program. This initiative supports collaborative efforts among CDFIs to address community development challenges and promote economic opportunities in distressed neighborhoods.

    - **AdvancingCities Initiative:** This program includes funding for CDFIs to help revitalize communities and create inclusive economic growth. JPMorgan Chase partners with CDFIs to implement projects that address housing, workforce development, and small business support.

5. **U.S. Bancorp Impact Finance:** Partners with CDFIs to fund projects and direct capital where it is needed most. Their solutions provide low- and moderate-income communities with better access to capital.

    - **CDFI Loans:** Offers floating-rate revolving lines of credit and fixed-rate term loans to CDFIs and CDFI consortiums.

    - **Patient Capital:** Provides long-term capital to organizations emphasizing those led by Black, indigenous, and people of color (BIPOC).

    - **Grants:** Funds operations, specific programs or projects, or training and direct technical assistance opportunities.

These programs demonstrate the commitment of major financial institutions to support the mission of CDFIs, helping to expand access to financial services and stimulate economic growth in underserved communities.

POTENTIAL PATHWAYS TO CDFI CERTIFICATION

There are several ways to establish a CDFI, the following are recommended for consideration by the City of Joplin:

1) Collaborate with an existing financial institution, such as a bank, credit union or CDFI.

2) Collaborate with a non-bank lender/investor to apply for CDFI Certification.

3) Establish a loan fund, capitalize it and start making loans, then file an application for CDFI Certification.

COLLABORATION WITH AN EXISTING FINANCIAL INSTITUTION

The City of Joplin could collaborate with an existing financial institution to secure CDFI Certification and access funding programs. This partnership would involve both the city and the financial institution working together to achieve specific objectives and share responsibilities.

Partners

1) The city of Joplin
2) An existing financial institution

Objective of the Partnership

1) Secure CDFI certification, if the financial institution is not already certified
2) Apply for CDFI and other federal financing programs
3) Bring capital to businesses and individuals in the city of Joplin and surrounding areas
4) Provide development services such as financial literacy and business operations training as required for CDFI certification

Partnership Characteristics

1) Establish an Investment Committee that includes members from both partners to approve investments made with funds generated by joint efforts

2) The financial institution would likely have a majority of the board members and be ultimately responsible for compliance
3) Investment committee members could be given veto power

Role of the City of Joplin

1) Fund some or all of the costs associated with securing CDFI certification, if necessary, and of applying for funding
2) Generate investment opportunities
3) Appoint staff members to the Investment Committee and CDFI Advisory Board
4) Assist with coordinating and providing Development Services

Role of the Financial Institution

1) Provide track record to meet CDFI Certification requirements
2) Ensure that 60% or more of financial activities are directed to disadvantaged communities or individuals to meet Target Market requirements
3) Provide management capacity for compliance with funding programs
4) Generate investment opportunities

Potential candidates are detailed below.

CREDIT UNIONS

There are 97 active credit unions in Missouri, three of which are based in Joplin and one has a branch in the city:

Credit Unions Serving Joplin, MO					
Name	HQ Location	Assets	Auto Loans	Residential	Commercial
Great Plains FCU	Joplin, MO	$ 336,582,928	$ 87,757,501	$ 36,320,274	$ 39,561
Joplin Metro FCU	Joplin, MO	48,534,914	25,048,163	3,540,757	-
Legacy FCU	Joplin, MO	20,268,252	6,941,589	1,137,936	-
Mercy Credit Union	Springfield, MO	83,003,352	45,149,032	12,883,938	-

Great Plains FCU and Mercy Credit Union appear to be the best candidates as they have substantial residential portfolios; none of these candidates are active in commercial lending, which could be a new line of business for them with the help of capitalization from CDFI Fund programs.

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS (CDFIS)

There are 28 CDFIs in Missouri, 10 of which are relatively close to Joplin and are a good starting point for exploring possibilities; several have been active in CDFI Fund programs as indicated on the table below:

CDFIs Near Joplin MO								CDFI Fund Awards		
#	Organization Name	Institution Type	City	State	Zipcode	Address	Organization Website	#	$	Program
1	Century Bancshares, Inc.	Bank Holding Company	Gainesville	MO	65655	PO Box 68	Non given	4	$2,870,805	FA 2017-22
2	Century Bank of the Ozarks	Bank or Thrift	Gainesville	MO	65655	42 Court Square	https://www.cbozarks.com/	7	7,682,992	(5) BEA, ERP, RRP
3	First State Bancorp, Inc.	Bank Holding Company	Caruthersville	MO	63830	100 West Third Street	Non given	1	125,000	CDFI-TA 2022
4	First State Bank & Trust Company, Inc.	Bank or Thrift	Caruthersville	MO	63830	100 West Third Street	www.fsbtrust.com	1	437,500	BEA 2023
5	Gateway Community Development Fund, Inc.	Loan Fund	St. Louis	MO	63102	707 N. 2nd Street Suite 308	http://www.gatewaycdfi.com	1	100,000	CDFI-TA 2011
6	Greenville Bancshares Inc	Bank Holding Company	Piedmont	MO	63957	1401 N Main St,Ste 200	Non given	0	-	
7	Justine Petersen Housing & Reinvestment Corporation	Loan Fund	St. Louis	MO	63106	1023 North Grand Blvd	www.justinepetersen.org	6	10,867,792	FA, ERP, RRP
8	Legacy Bank & Trust Company	Bank or Thrift	Mountain Grove	MO	65711	1500 N Main St	https://www.legacybankandtrust.com/	11	29,265,659	CMF, BEA, RRP
9	Multipli Credit Union	Credit Union	Springfield	MO	65809	1850 S Blackman Rd, Suite 100	http://www.multiplicu.com	3	4,335,015	FA, RRP
10	Urban Strategies Inc	Loan Fund	Saint Louis	MO	63102	100 N. BroadwaySuite 1110	www.urbanstrategiesinc.org	0	-	

The CDFI program abbreviations are:

1) BEA – Bank Enterprise Award (available to banks that increase lending to low income areas).
2) CMF – Capital Magnet Fund (up to $15M for housing)
3) ERP – Equitable Recovery Program, a one-time grant for communities disproportionally affected by the COVID-19 pandemic.
4) FA – Financial Assistance (up to $2M matching grant).
5) RRP – Rapid Recovery Program, a one-time pandemic-related grant.
6) TA – Technical Assistance (up to $125K grant for capacity building).

The following is notable when considering candidates to approach for potential collaborations:

1) First State Bank (#3 & 4) received a $125,000 grant for technical assistance to establish a CDFI in 2022, and then received a $437,500 grant in 2023 under the Bank Enterprise Award program. They may be interested in expanding into other CDFI programs in partnership with the City of Joplin.

2) Gateway Community Development Fund (#5) got a $100K technical assistance grant in 2011, then got certification, but has never participated in any programs since.

3) Greenville Bancshares (#6) and Urban Strategies (#10) got CDFI Certification but never participated in any programs.

4) Multipli Credit Union got a $520K Financial Assistance Award in 2020, and $1.8M in pandemic-related grants in 2021 but has not received anything since.

5) AltCap is another CDFI that merits consideration; it is based in Kansas City and active in Joplin. AltCap has received 11 CDFI Fund awards totaling $6.4M in FA, RRP and ERP, and $213M in 5 NMTC awards.

BANKS

There are 14 FDIC insured banks with branches in Joplin, none of which are headquartered in Joplin but 4 of which have more than 20% of their branches in the city, as depicted in the following table:

FDIC Insured Bank Branches in Joplin

#	Name	#	Total	%	Assets	Residential	Commercial
1	People's Bank of Seneca	3	5	60.0%	$ 450,420,000	$94,694,000	$30,134,000
2	Southwest Missouri Bank	5	11	45.5%	1,136,766,000	199,417,000	52,167,000
3	Community Bank and Trust	3	13	23.1%	411,073,000	48,033,000	12,796,000
4	Guaranty Bank	3	14	21.4%	2,329,533,000	153,816,000	253,543,000
5	Mid-Missouri Bank	1	15	6.7%			
6	Oakstar Bank	1	23	4.3%			
7	Pinnacle Bank	3	77	3.9%			
8	First Community Bank	1	32	3.1%			
9	Great Southern Bank	2	112	1.8%			
10	Arvest Bank	4	228	1.8%			
11	Commerce Bank	2	160	1.3%			
12	UMB Bank, National Association	1	104	1.0%			
13	Simmons Bank	1	251	0.4%			
14	U.S. Bank National Association	3	2282	0.1%			

The following is notable when considering candidates to approach for potential collaborations:

1) People's Bank of Seneca and Southwest Missouri Bank (#1 & 2) have a substantial portion of their branches in Joplin and significant residential and commercial portfolios, which indicates suitability for CDFI Certification.

2) Central Bank of Kansas City is also active in economic development in the Joplin area and merits consideration as a potential partner. The bank has 2 branches in KC with $392M in assets $0 in residential and $146M in commercial loans.

NON-BANK LENDERS

There are a variety of non-bank organizations that deploy capital to low income areas that could have a track record and mission that would support a CDFI Certification Application; potential candidates include:

1) MOKAN Partnership

- **Website**: https://www.mokanpartnership.com/
- **Description**: MOKAN focuses on regional economic development, fostering growth through business attraction, retention, and expansion efforts. They work to improve the economic landscape of the Joplin region.
- **CDFI Certification Potential**: Their focus on economic development and business support positions them well to meet CDFI goals, providing necessary financial services to underserved areas.

2) Downtown Joplin Alliance

- **Website**: https://www.downtownjoplin.com/
- **Description**: This organization aims to revitalize and promote the downtown Joplin area through various projects and initiatives. They support local businesses and foster community engagement.
- **CDFI Certification Potential**: By leveraging their community-focused initiatives and support for local businesses, they can align with CDFI certification requirements and enhance funding opportunities for downtown development projects.

3) Joplin Economic Housing Development Initiative (JEHDI)

- **Website**: https://www.joplinhabitat.org/jehdi/
- **Description**: JEHDI is a non-profit organization dedicated to improving housing conditions in the Jasper County area. As a Community Housing Development Organization (CHDO), JEHDI focuses on providing affordable housing to low-income households through construction and renovation projects. The organization collaborates with community members and Habitat for Humanity staff to ensure the development of decent, affordable homes for those in need.
- **CDFI Certification Potential**: JEHDI's mission to enhance housing accessibility and support low-income families aligns well with CDFI goals. Their experience in non-profit construction and community development positions them as a strong candidate for CDFI certification, which would allow them to expand their funding sources and increase their impact on the local housing market.

ESTABLISH A LOAN FUND

The City of Joplin could capitalize a loan fund and making initial loans, which is a fundamental requirement for CDFI Certification in that at least one loan must have been made in an entity's most recently ended fiscal year in order to be eligible to apply. Here's a detailed look at this strategy, including the spin-off provision within the CDFI Certification rules:

Steps to Establish a Loan Fund

1) Capitalize the Loan Fund:
    - The City of Joplin can allocate municipal funds to create a loan fund aimed at supporting economic development projects, small businesses, and community initiatives within underserved areas.

2) Start Making Loans:
    - Begin disbursing loans to qualified borrowers. These loans could focus on areas such as affordable housing, small business development, and community projects.

3) Operational Structure:
    - The loan fund can operate as a municipal agency or through a collaboration with one or more of the aforementioned partners.

Spin-off Provision

The CDFI Certification rules include a provision that allows a loan fund initially started by a municipal agency to be spun off to a nonprofit or other eligible entity when applying for CDFI Certification.

1) **Initial Phase as Municipal Agency**: The City of Joplin can manage and operate the loan fund, ensuring that all necessary administrative and operational structures are in place.

2) **Transition to Nonprofit**: When the time comes to apply for CDFI Certification, the loan fund can be transitioned or spun off to a nonprofit organization or another eligible entity.

3) **Application for CDFI Certification**: The new entity, now managing the loan fund, can apply for CDFI Certification provided at least one loan has been made in the most recently ended fiscal year.

REACTIVATE THE JOPLIN COMMUNITY REDEVELOPMENT FUND, LLC

In August of 2012, in the aftermath of 2011's devastating tornado, the city of Joplin formed the Joplin Community Redevelopment Fund, LLC with the intention of securing certification as a Community Development Entity in order to be eligible to apply for New Markets Tax Credits. While the NMTC effort did not come to pass the entity is still in good standing with the Missouri Corporations Division (charter No. LC1246366). This entity could be capitalized to start a loan fund, then spun out of city control as discussed above, however its status as a for-profit LLC could be problematic. LLCs can only be deemed a nonprofit if they have a sole member that is a 501(c)3 corporation, therefore it is more efficient to simply form a new corporation, secure 501(c)3 status, and establish the loan fund in that entity.

ANTICIPATED FEES

Anticipated market-rate fees associated with applying for programs presented herein are anticipated to as follows, upon selection after a competitive bidding process:

Anticipated Market Rate Fees Associated with Applications	
CDFI Fund Programs	**Fee**
Technical Assistance Application - up to $125K	$ 32,500
CDFI Certification Application	37,500
Financial Assistance Program Application - up to $2M	37,500
Capital Magnet Fund - up to $15M	37,500
New Markets Tax Credit Program	
Single Project NMTC Request Executive Summary (Phase I)	10,000
Single Project NMTC Comprehensive Request (Phase II)	15,000
NMTC Allocation Application for Pipeline of Projects	75,000
Bond Guarantee Application	75,000
Small Dollar Loan Program	27,500
CCIA Funding - up to $11M	27,500

RECOMMENDATIONS

Following are recommendations for next steps towards securing CDFI certification for an entity focused on Joplin:

1) Apply for a $125,000 Technical Assistance Grant with funds to be used for building capacity to establish a CDFI, including paying for internal staff time and external consultants for preparation of applications and advice.

2) Approve funding for one or more applications, and reach out to existing banks and non-bank financial institutions with an offer to fund applications in return for directing resulting resources to Joplin, starting with the following in order of priority:

    a. **Great Plains Federal Credit Union**: based in Joplin, substantial assets but near zero commercial lending.

    b. **Mercy Credit Union**: based in Joplin, substantial assets but zero commercial lending

    c. **First State Bank**: received a $125,000 grant for technical assistance to establish a CDFI in 2022, and then received a $437,500 grant in 2023 under the Bank Enterprise Award program.

    d. **People's Bank of Seneca** and **Southwest Missouri Bank:** have a substantial portion of their branches in Joplin and significant residential and commercial portfolios.

e. **Multipli Credit Union:** (CDFI) got a $520K Financial Assistance Award in 2020, and $1.8M in pandemic-related grants in 2021 but has not received anything since.

f. **AltCap:** is a CDFI based in Kansas City and active in Joplin, and has received 11 CDFI Fund awards.

g. **Gateway Community Development Fund:** (CDFI) got a $100K technical assistance grant in 2011, then got certification, but has never participated in any programs since.

h. **Greenville Bancshares** and **Urban Strategies:** got CDFI Certification but never participated in any programs.

3) Approve funding for a revolving fund and start making loans. If at least one loan is made prior to the city's October 31 fiscal year end a CDFI Certification Application could be submitted by the end of 2024.

NEXT STEPS AND TIMELINE

The establishment of a Community Development Financial Institution (CDFI) in Joplin represents a significant opportunity to address critical economic and housing challenges. By securing CDFI certification, the City of Joplin can access a range of funding sources and programs designed to support community development initiatives. The pathways outlined in this report provide a strategic roadmap for achieving CDFI certification and maximizing the benefits for Joplin's residents.

KEY NEXT STEPS

1) **Apply for Technical Assistance Grants**: Secure initial funding to build capacity for the establishment of a CDFI. This includes funding for internal staff and external consultants to prepare necessary applications and provide expert advice.

2) **Partner with Local Financial Institutions**: Collaborate with local banks, credit unions, and non-bank lenders to apply for CDFI certification and access funding. Potential partners such as Great Plains FCU, Mercy Credit Union, and AltCap have been identified as suitable candidates.

3) **Capitalize a Revolving Loan Fund**: Allocate municipal funds to create a loan fund aimed at supporting economic development projects, small businesses, and community initiatives within underserved areas. Begin disbursing loans to qualified borrowers to meet the certification requirements. The entity will be eligible to apply for CDFI Certification in the fiscal year following the date the first loan is made; therefore if a loan is made by Joplin's October 31, 2024 fiscal year end the entity could apply for CDFI Certification before the end of the year.

TIMELINE

Two timelines are provided:

1) Partnering with an existing financial institution
2) Capitalizing an internal fund that could apply for CDFI Certification.

Below is a summary of next steps and timelines for each of these options, followed by details:

City of Joplin Pathway to CDFI Certification | Next Steps and Timelines																							
Month	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**	**16**	**17**	**18**	**19**	**20**	**21**	**22**	**23**	**24**
Financial Institutions Outreach																								
Conduct Outreach	■■■	■■■	■■■	■■■																				
Identify Best Partner				■■■																				
Formalize Agreement					■■■	■■■	■■■	■■■	■■■	■■■														
Apply for CDFI Fund Programs								■■■	■■■	■■■														
Grant award - $2-5M?														■■■										
Capitalize an Internal Loan Fund																								
Entity Formation	■■■	■■■	■■■																					
Form Governing / Advisory Boards		■■■	■■■	■■■																				
Product Line			■■■	■■■	■■■	■■■																		
Policies/Procedures				■■■	■■■	■■■	■■■	■■■	■■■															
Marketing Materials					■■■	■■■	■■■																	
Capitalize Entity						■■■	■■■	■■■	■■■	■■■	■■■	■■■	■■■	■■■	■■■	■■■	■■■	■■■	■■■	■■■	■■■			
Make Loans								■■■	■■■	■■■	■■■	■■■	■■■	■■■	■■■	■■■	■■■	■■■	■■■					
CDFI Certification																■■■	■■■	■■■	■■■	■■■	■■■	■■■	■■■	■■■

PARTNER WITH EXISTING FINANCIAL INSTITUTIONS

Partnering with an existing financial institution is likely the most expedient way for the city of Joplin to access resources available to CDFIs. Following are next steps and timeline for engaging potential partners.

1) **Conduct Outreach to Financial Institutions**
   - **Description:** Engage with potential financial institution partners to explore collaboration opportunities.
   - **Timeline:** 4 weeks
   - **Key Actions:**
     - **Prepare outreach materials:** Develop materials that clearly outline the benefits and objectives of partnering with the City of Joplin for CDFI certification.
     - **Identify potential financial institutions:** Compile a list of suitable financial institutions that align with the city's CDFI goals.

2) **Initiate Contact**
   - **Description:** Schedule and conduct initial meetings with identified financial institutions.
   - **Timeline:** 1 week
   - **Key Actions:**
     - **Initiate contact:** Reach out to the identified institutions to schedule meetings.
     - **Conduct meetings:** Discuss the potential for collaboration and outline the benefits for both parties.

3) **Review Feedback**

   - **Description:** Assess interest and suitability of potential partners based on initial meetings.

- **Timeline:** 1 week
- **Key Actions:**
    - **Review feedback:** Evaluate responses from the meetings to determine the most suitable partner for the CDFI initiative.

4) Identify Best Candidate for Partnering

- **Description:** Evaluate responses and select the best partner based on their track record and alignment with CDFI goals.
- **Timeline:** 1 week

5) Formalize and Approve an Agreement

- **Description:** Negotiate, draft, and finalize the partnership agreement with the chosen financial institution.
- **Timeline:** 6 weeks
- **Key Actions:**
    - **Negotiate terms:** Agree on the terms and conditions of the partnership.
    - **Draft agreement:** Prepare the draft agreement and circulate it for internal reviews.
    - **Finalize agreement:** Seek approvals from the city council and the financial institution's board.

6) Apply for Funding Programs

- **Description:** Collaboratively apply for CDFI certification and relevant funding programs.
- **Timeline:** Ongoing
- **Key Actions:**
    - **Prepare application materials:** Gather necessary documents and prepare materials for the CDFI certification application.
        - **For CDFI certification:** Timeline: 2 weeks
        - **Submit CDFI certification application:** Timeline: 2 weeks
        - **Prepare and submit initial funding programs:** Focus on Technical Assistance Grant and Capital Magnet Fund. Timeline: 2 weeks

    - **Continue identifying funding opportunities:** Ongoing effort to secure additional funding to support the CDFI initiative.

By following this structured approach, the City of Joplin can effectively partner with financial institutions to achieve CDFI certification, thereby enhancing access to funding and resources for community development initiatives.

CAPITALIZE A LOAN FUND & APPLY FOR CDFI CERTIFICATION

Forming a Community Development Financial Institution (CDFI) involves several critical steps to ensure the entity is well-structured, adequately capitalized, and compliant with regulatory requirements. Below is an outline of these steps, including internal fund capitalization, next steps, and timeline considerations:

1) **Identify or Form Entity**

- **Description**: Determine whether to create a new entity or utilize an existing one. This entity must be a legally established organization.
- **Timeline**: 1-3 months.
- **Key Actions**:
    - Conduct legal and financial due diligence.
    - Register the entity with appropriate state and federal authorities.
    - Ensure the entity's mission aligns with community development goals.

2) **Establish Governing and/or Advisory Boards that are Accountable to the Target Market**

- **Description**: Form a board of directors or advisory board that represents the interests of the target market.
- **Timeline**: Concurrent with entity formation, 1-2 months.
- **Key Actions**:
    - Recruit board members with relevant expertise and community ties.
    - Define roles and responsibilities.
    - Schedule regular meetings and establish term limits.

3) **Establish Product Line**

- **Description**: Develop a range of financial products and services tailored to the needs of the target market.
- **Timeline**: 2-4 months.
- **Key Actions**:
    - Conduct market research to identify community needs.
    - Design loan products, savings accounts, and other financial services.
    - Ensure products are affordable and accessible.

4) **Develop Policies and Procedures**

- **Description**: Create comprehensive policies and procedures to guide operations, risk management, and compliance.
- Timeline: 3-6 months.
- Key Actions:
    - Draft policies for lending, credit risk, and financial management.
    - Establish procedures for loan approval, servicing, and collections.
    - Implement internal controls and compliance measures.

5) **Develop Outreach / Marketing Materials**

- **Description**: Create materials to promote the CDFI and its products to the target market.
- **Timeline**: 2-3 months.
- **Key Actions**:
    - Design brochures, flyers, and digital content.
    - Develop a marketing strategy to reach underserved communities.
    - Engage with local organizations and stakeholders.

6) **Capitalize Entity**

- **Description**: Secure initial funding to support lending and operational activities.
- **Timeline**: Ongoing, with initial capitalization within 6-12 months.
- **Key Actions**:
    - Identify and approach potential investors, including banks, foundations, and government programs.
    - Apply for grants and funding from the CDFI Fund and other sources.
    - Establish a capital structure that supports sustainable growth.

7) **Make Loans**

- **Description**: Begin issuing loans to individuals and businesses in the target market.
- **Timeline**: After initial capitalization
- **Key Actions**:
    - Implement lending policies and procedures.
    - Monitor loan performance and adjust strategies as needed.
    - Collect data on loan impacts and outcomes.

8) **Apply for CDFI Certification in the Fiscal Year After Making the First Loan**

- **Description**: Submit a CDFI Certification Application to the CDFI Fund.
- **Timeline**: Fiscal year following the issuance of the first loan.
- **Key Actions**:
    - Ensure compliance with CDFI certification criteria, including legal entity status, primary mission, and target market accountability.
    - Gather required documentation and financial statements.
    - Submit the application and respond to any follow-up inquiries from the CDFI Fund.

By following these steps, an organization can effectively form a CDFI, ensuring it is well-positioned to serve its target market and achieve certification. Each step requires careful planning, execution, and ongoing evaluation to ensure the CDFI meets its community development goals and regulatory requirements.

SUMMARY

The City of Joplin is strategically positioned to establish a CDFI to address local economic and housing challenges. This report provides a comprehensive roadmap for achieving CDFI certification, leveraging financial resources, and fostering sustainable community development. Key recommendations include:

1) **Applying for Technical Assistance Grants:** Secure initial funding to build the capacity needed for CDFI establishment.

2) **Partnering with Local Financial Institutions:** Collaborate with banks, credit unions, and non-bank lenders to pool resources and expertise for CDFI certification and funding applications.

3) **Capitalizing a Revolving Loan Fund:** Allocate municipal funds to create a loan fund supporting economic development projects. This fund will serve as a foundation for meeting CDFI certification requirements.

By following these recommendations and adhering to the outlined timelines and steps, the City of Joplin can successfully achieve CDFI certification, unlocking new opportunities for economic growth and community revitalization.

Community Improvement and Safety Initiatives Update
Collaborative Actions and Considerations

1. Community Plan to Address Homeless completed 11/24
   a. Pursue a centralized shelter and service

2. Regional Commission on Homelessness
   a. City budgeted resources 11/24
   b. Commission founded and Articles/Bylaws filed with Sec. State 11/12/24
   c. PSA City and Commission executed 1/2//25

   Next:
   - ESC/Commission subagreement pending for Director position 2/25
   - Police present informational update to Commission

3. Police
   a. Pedestrian Safety Ordinance adopted 9/23
   b. Police/Ozark Center Co-Responder Unit Community Outreach Program created 8/24
   c. Restorative Justice Program ongoing
   d. Private property trespass affidavits ongoing and renewed annually
   e. Transit Stops occupancy enforcement for trolley relaunch ongoing

   Next:
   - Extend expiration of trespass affidavits
   - Review Cicero Institute Drug-free Zones around Shelters
   - Reviewing Sarasota Best Practices

4. Parks
   a. Two Park Rangers and program approved 2022
   b. Parks ordinance revision approved to include no camping and disallowed activities 2/24
   c. Parks ordinance informational signage installed in parks and shelters 5/24
   d. Public benches converted to split-bench style; initial complete and ongoing 2024
   e. Spiva Park cleanup and signage 9/24
   f. Third Park Ranger position added 1/27/25; expanded park patrol hours to 11pm

   Next:
   - Security camera and lighting bid/installs across eight parks 2025
   - Amend parks ordinance removing Shelter Capacity requirements
   - Require park shelter reservations
   - Prohibiting repeat offenders from Park facilities

5. Planning and Community Development and Property Abatements
   a. Abatement mapping completed and ongoing 8/24/23; shared with Coalition
   b. Abatement Cleanup Policy adopted 2/24
   c. City and Homeless Coalition Street Outreach notifications ongoing
   d. JHRP and Demo program created to address blighted areas 2024 – windshield survey completed
   e. NIO identify visible encampment problem areas/pursue affidavits on private properties for enforcement 1/25

Next:

- Property abatement NIP administrative enforcement option under Legal review 12/24
- Vacant and Dangerous Buildings program pending
- Review incorporating mandatory Crime Prevention Through Environmental Design (CPTED) principles into commercial designs

6. Public Works (w/Parks)
   a. Transit Station Intended Use Signage installed 11/23
   b. Ops cleanup of identified encampment areas
      - Pennsylvania Viaduct cleanup completed 3/24
      - 4th and Murphy cleanup completed 12/24
      - Confiscated bicycles removed from annual auction

   Next:
   - Ozark Cemetery abatement pending 4/25
   - Other targeted cleanups are ongoing in smaller problem areas

7. Fire (w/Communications)
   a. Updated SCF reporting to add and capture Illegal occupancy/structures
      - Completed Public Service Announcement, well received with 33 reported

   Next:
   - Present Community Outreach Health/Wellness Coalition Initiative Concept
   - Another Public Service Announcement pending and create Show Me Joplin video

8. Health
   a. Working with Joplin Humane Society on placing displaced animals resulting from law enforcement activities

9. Legal
   a. Pre-reveal machines litigation being monitored
   b. Shopping cart/stolen property ordinance under review

City of Joplin Comparison to City of Sarasota (FL)

Review of Services

1. Police officers staff the program in Sarasota.
    a. In Joplin, our civilians co-respond with sworn officers, which is a better response because the homeless population often have better relations with civilian personnel.
2. Sarasota does case management with individuals to help them come out of their situation, if they wish to do so.
    a. Joplin CRU does the same thing. CRU will work with an individual as long as it takes to actually provide them with, or help coordinate, the services that they need.
3. Sarasota offers housing vouchers to the homeless.
    a. CRU places the homeless in touch with local shelters to make sure they have a place to stay.
4. Sarasota works with local social service providers to get the homeless the help needed.
    a. CRU and our sworn officers do the same thing, however, we maintain close relationships with the local providers and, if needed, we hand-deliver individuals in need to the best service provider (hospital, Lafayette House, etc.). JPD has provided our co-responders with a vehicle for their exclusive use in this endeavor.
5. Sarasota provides education to the homeless regarding local laws and ordinances which they may be violating.
    a. CRU does the same, however, the JPD CRU team not only educates, but also meets and individual in court to ensure they are aware of how to navigate the court process.
    b. CRU works with the city prosecutor and judge to get the most effective outcomes for people appearing in court who are dealing with homelessness and/or substance abuse.
6. If enforcement is required by officers, they work with CRU to find the best alternatives to incarceration. If incarceration is required, the CRU team starts working with the individual, on the front end, to facilitate resolution.
7. Sarasota sends teams out into the community to locate and contact homeless individuals to offer assistance, support, and education.
    a. CRU proactively goes out into the community to locate homeless individuals in need of assistance.
    b. CRU makes daily visits to the Joplin jail to search out individuals, homeless or otherwise, that may benefit from their assistance.

c. CRU is currently distributing information to the homeless whom they contact on the options available to them, so they can make informed decisions regarding their health, safety, and housing status.

d. CRU maintains open lines of communication and coordination with numerous local social service providers to provide seamless assistance to the homeless population.

e. During periods of cold weather, the CRU has distributed new pairs of warm socks to members of the homeless community. Socks have been identified as one of the most needed and frequently requested items by homeless individuals. Sarasota does not provide such assistance.

8. Sarasota offers transportation options for the homeless who may live in other areas and wish to return home. This service is provided in the form of issuing bus tickets.

    a. CRU offers the same reunification service, along with the JPD Chaplains unit and the local prosecutors office.

COUNCIL BILL NO. 2024-xxx ORDINANCE NO.

AN ORDINANCE amending Chapter 86 – Parks and Recreation, Article II – Park Rules and Regulations; specifically, Section 86-37 - Camping.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF JOPLIN, MISSOURI, as follows:

Section 1. That Section 86-37 – Camping is hereby repealed, and a new Section 86-37 – Camping is enacted in lieu thereof as follows:

"(a) Purpose. The purpose of this chapter is to prevent harm to the health or safety of the public and to promote the public health, safety and general welfare by prohibiting camping and storage of personal property on public property, which interferes with the rights of others to use the area in the manner for which it is intended.

(b) Definitions. The following definitions are applicable to this Section:

~~"Available overnight shelter" means a public or private shelter, with an available overnight space, open to an individual experiencing homelessness at no charge. "Available overnight shelter" also includes a hotel or motel that is made available to an individual experiencing homelessness at no charge.~~

"Camp" means to pitch, use, or occupy camp facilities for the purposes of habitation, as evidenced by the use of camp paraphernalia.

"Camp facilities" include, but are not limited to, tents, huts, temporary shelters.

"Camp paraphernalia" includes, but is not limited to, tarpaulins, cots, beds, sleeping bags, blankets, mattresses, hammocks or cooking facilities or equipment.

"Park" means any publicly owned area controlled by the City or other governmental entity for park purposes. "Park" also includes all associated areas, including parking lots for parks.

"Public property" means any real property, building, structure, equipment, sign, shelter, vegetation, trail, and public open space, including all associated areas such as parking lots, controlled or owned by the City or any other governmental agency.

"Store" means to put aside or accumulate for use when needed, to put for safekeeping, to place or leave in a location.

"Street" means any highway, lane, road, street, right-of-way, sidewalk, boulevard, alley, and every way or place in the City open as a matter of right to public pedestrian and vehicular travel.

(c) Unlawful camping or storage of personal property in public places. It shall be unlawful for any person to camp or to store personal property, including camp facilities or camp paraphernalia, in the following areas:

(1) Any park; or

(2) Any street; or

(3) Any public property, improved or unimproved.

(d) Penalty. Any person having been found guilty of any violation of this section shall be punished as provided in section 1-5 of this Code of Ordinances.

~~(e) Enforcement. A violation of this Section shall be enforced as follows:~~

~~(1) Prior to issuing any citation or arrest pursuant to this Section, the investigating officer shall inquire whether the unlawful camping and storage of personal property is due to homelessness. If the officer learns that such is the case, the officer shall determine, in accordance with relevant department policy, there is available overnight shelter to accommodate the subject of the investigation. If the officer determines there is no available overnight shelter, the officer shall not issue a citation.~~

~~(2) If the officer determines there is available overnight shelter, the officer shall provide directions to the shelter location.~~

~~(3) Any individual who refuses to accept the shelter space offered is subject to citation or arrest pursuant to this Section."~~

Section 2. That this Ordinance shall be in full force and effect from and after its passage.

PASSED BY THE COUNCIL OF THE CITY OF JOPLIN, MISSOURI, this _____ day of _____, 2024, by a vote of _____.

_____
Keenan T. Cortez, Sr. Mayor

ATTEST:

_____
Holly Nagy, City Clerk

APPROVED AS TO FORM:

_____
Peter C. Edwards, City Attorney

City of Joplin Park patron ban policy:

The city of Joplin is adopting a policy of banning individuals referred to as patrons from this point on. This will help by installing safeguards for when a patron behaves in a manner that the park is not intended for, commits ordinance violations, breaks city law or exhibits behaviors that lead to unsafe conditions for any other patrons or park staff. This policy will set the minimum standard operating procedure and is additional to all other state laws, park ordinances, and policies.

Purpose:

The city of Joplin takes the safety of everyone in their parks and recreation facilities very seriously. Everyone deserves to have a safe environment to enjoy the city of Joplin Park facilities. Which includes but is not limited to parks, trails, aquatic facilities, athletic facilities, museums, events, and cemeteries.

Policy:

The city of Joplin has placed adequate signage in every facility as well as online to explain the rules and excepted behaviors of all patrons. If any patron violates city law, park ordinances, or policies. Behaves in an unsafe or disrespectful manner towards other patrons or park staff in such a way that is disruptive, derogatory, or unsafe. They will be subject to this policy.

Procedures enforcement:

There will be a discussion with the patron, and they will be provided a warning explaining all the rules and what is expected of them in any city facility by park staff. Warning everyone should be the first step.

The second time the same individuals or patron has violated city of Joplin policies, ordinances, or Laws they will receive a ban and timeframe as listed below. Ban levels can be site specific or city-wide facility banishment as deemed necessary.

After Warning with the first encounter. A day ban will be initiated for the patron. This can be done by any parks and recreation staff. The park patron will be advised they must leave the facility for the day and not return until 6am the following day at the soonest. They will be provided or shown a printout of all the ordinances and policies for Joplin Parks and recreation facilities when requested. The minimum they must receive is being advised how to locate the park rules and what they have violated specifically.

A ban for more serious or repeated violations. Will be banning of no less than a week and no more than a month. These types of bans should only come from supervisory roles in parks and recreation or the park rangers.

Anytime someone is banned a name if possible and a picture of them should be collected and sent to Park Rangers and the supervisors of whichever facility the ban is being initiated at. As well as the reason for the ban. Park rangers will then keep a log of anyone being ban making it easier to enforce trespassing and keep records.

Special circumstances, steps against violations, and appeals process:

We never want to ban anyone for extended periods of time because everyone deserves chances to improve their behavior and most policy and ordinances violated wouldn't constitute a lengthy ban. The exception is if someone is seriously injured there should be a Lengthy ban of 90 days. For this action you must get approval from the heads of Parks and recreation. The city of Joplin parks and recreation department reserves the right to skip the warning and shorter bans for the most serious of violations which could include but are not limited to violence, injury, or serious lewd behavior.

Any patron that knowingly violates a ban will be told they are trespassing and to leave immediately if they refuse JPD or Park Rangers should be called. They will then be informed again of trespassing with the appropriate level of punishment as deemed necessary. if the Patron refuses to respect the length of the ban an appropriate action will be takin which could include contacting Joplin PD for a second official trespass notice, fines, and possibly jail time.

The appeals process will be at the request of the banned individual and when time allows, they can meet with supervisory roles of the facility they received the ban at and the heads of parks and recreation. Having the ban lifted is completely at the Parks and recreations discretion.



Drug-Free Homeless Service Zones

March 2024

CICERO INSTITUTE

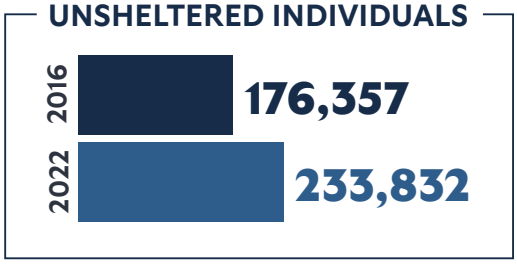
Authored by:

Devon Kurtz
Public Safety Policy Director



Overview

A record number of Americans are experiencing unsheltered homelessness. According to data from the U.S. Department of Housing and Urban Development, the number of unsheltered individuals increased from 176,357 in 2016 to 233,832 in 2022.[1] An estimated 40 percent of those experiencing homelessness are living outdoors and 61 percent of the chronically homeless are unsheltered.[2]



As the number of people living on the streets of America's cities has grown, public safety has suffered for both homeless people and the communities in which they live. **A recent poll by the Cicero Institute found that 66 percent of Arizonans feel unsafe due to homeless encampments on city streets.**[3] Much of this problem can be attributed to the connection between homelessness, drug use, and other crimes fostered by the illegal drug market.

Of those experiencing homelessness

40% ARE **LIVING OUTDOORS**

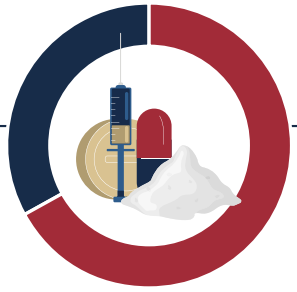
61% ARE **UNSHELTERED**

As part of their response to homelessness, policymakers should make a concerted effort to intervene in the drug market that preys on vulnerable people experiencing homelessness and perpetuates their destitution. **One solution with a proven record of success is to create drug-free zones.** Historically, drug-free zones have been used successfully to curb drug dealing in and near schools, and a similar model could be applied to areas in which homeless people seek safety, shelter, and services. While drug-free zones do not effectively target the illegal drug market generally, they are effective at deterring drug-related crime in specific areas frequented by vulnerable populations.

Prevalence of Drug Use Among Homeless People

Chronic substance abuse has decreased among homeless people across the United States, but increased in prevalence among unsheltered homeless people specifically—the fastest-growing and most vulnerable portion of the homeless population. **Since 2013, the number of unsheltered homeless people who use drugs chronically has grown by 30 percent.**[4] The largest study of homelessness in America in 2023 found that two-thirds of homeless people reported regularly using hard narcotics like methamphetamine, crack cocaine, and opiates, less than half of whom reported ever receiving treatment.[5] Certain states have seen even more dramatic growth. Arizona's total homeless population saw a 170 percent growth in substance abuse since 2012, including 560 percent growth among the unsheltered homeless and 37 percent growth among sheltered homeless.[6]

The growth in mental illness among homeless individuals has similar trends to that of drug use. A University of California at San Francisco study found that **more than 80 percent of people experiencing homelessness reported mental health conditions**, for which one in four had been hospitalized.[7] Over the last decade, the number of homeless people suffering from severe mental illness rose by 16 percent, with a disproportionate impact on unsheltered homeless people which rose 38.5 percent.[8] Many states saw much larger increases than national statistics convey. This high rate of mental illness puts the homeless population at an especially high risk of developing substance abuse disorders or relapsing because people with poor mental health are especially susceptible to drug use. They have been shown to have much higher rates of all types of substance abuse than the general population.[9] **An estimated one in four people with severe mental illness have a substance use disorder, and 49 percent report using drugs.**[10]



Two-thirds
of homeless people reported **regularly using hard narcotics like methamphetamine, crack cocaine, and opiates**, less than half of which reported ever receiving treatment.

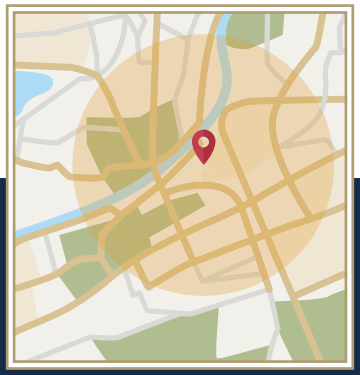
As the homeless population in America rapidly increases, and drug use increases among this group, rates and risk of substance abuse have both become debilitatingly high. Policies that aim to protect, support, and assist homeless individuals cannot ignore the problems posed by the predatory illegal drug market that further harms a struggling cohort of people.

Public Safety Concerns

High rates of substance abuse and mental illness create an environment in which people are both more likely to be victims of crime and to commit crimes themselves, and the ensuing disorder further attracts opportunistic criminals. This is precisely the problem faced by people experiencing homelessness and the communities in which they live.

In 2022, roughly one in four homicides and 15 percent of all violent crimes in Los Angeles involved homeless individuals as either perpetrators or victims, or both, despite representing less than one percent of the population.[11] The San Diego County District Attorney's office found **homeless individuals were 514 times more likely to commit a crime** than the average citizen and, in 98 percent of cases, a homeless offender is a repeat offender.[12] The University of California at San Francisco found in a June 2023 report that **nearly one in three homeless people in California had been in prison or a long-term jail stay** in the six months prior to becoming homeless.[13]

The public disorder associated with homelessness sometimes follows individuals from the street into areas where they receive shelter, services, and other support. Moving people off the street and into shelters is an effective way to reduce public camping—which is the riskiest mode of homelessness in terms of both public health and public safety—and some of the crimes associated with it.[14] But there is much that needs to be done to ensure a safe transition from the street into a more stable environment. A study from the RAND Corporation and the University of Pennsylvania found homeless shelters **increased property crime by 56 percent within 100 meters of the shelter** while reducing criminal trespass by 34 percent.[15] The study also found the impact on crime was limited to the vicinity of the shelter, with effects dissipating over two to three blocks of the shelter. Another report on permanent supportive housing for homeless people found that both total crime and violent crime increased within 500 feet of permanent supportive housing units, with a greater effect in the vicinity of large facilities.[16]



Homeless shelters **increased property crime by 56% within 100 meters of the shelter.**

These findings are consistent with larger reviews of available studies that found permanent supportive housing does not reduce criminal activity among people who are homeless.[17] Moreover, there is substantial



evidence that permanent supportive housing has no discernable positive impact on illicit drug outcomes for homeless people.[18-19] Given the high rates of crime and drug use involving people who are homeless, shelters and other housing and support services must do more to improve these outcomes if they are going to be successful in upholding order in their facilities and public safety in their vicinity.

Policy Proposal: Drug-Free Homeless Service Zones

Drugs exacerbate the challenges facing the homeless by exposing them to criminal predation, attracting criminal activity and disorder that further destabilizes their environment and enables criminal behavior among them. Drug dealers who target homeless people take advantage of their vulnerability due to extreme economic distress and serious mental health conditions, eroding public safety. It is imperative that policymakers curb the prevalence of illegal drug markets near areas that serve the homeless so struggling individuals can have a chance at success.

Throughout the 1980s, all 50 states created drug-free zones to counteract the encroachment of drug dealing and use into concentrated areas of children such as those near schools, daycares, and school bus stops. Many states required these areas to have signs that read "drug-free zone," warning of enhanced punishments if the signs were ignored. Studies of these policies found evidence of the effectiveness of drug-free school zones in significantly reducing

drug crimes near schools.[20] Other studies note the primary limiting factor of these policies is keeping a limited zone size to effectively deter drug dealing from the immediate vicinity of the property.[21] These findings are consistent with elements of other place-based crime studies, including those focused on homeless shelters.

Policymakers should create drug-free zones around services that offer housing, shelter, or other assistance to homeless individuals. These policies should focus on deterring the encroachment of the illegal drug market into the vicinity of homeless services, but also hold facilities accountable for creating a safe and secure environment for their clients. Drug-free homeless service zone laws enhance criminal penalties for selling or transferring narcotics within 300 to 500 feet of a facility—the radius range that studies found was most susceptible to criminal activity around a homeless shelter or supportive housing facility.

The second component of the law includes financial penalties for homeless service providers who permit (either in policy or practice) the possession or use of illegal drugs among their clients. It is increasingly common for homeless service providers to permit drug use in their facilities and de-emphasize treatment as part of a "harm reduction" approach to housing.[22] Because of this predatory dynamic, drug-free homeless service zones should penalize service providers for failing to maintain a safe environment for their clients by enabling drug use among them instead of fostering a treatment-oriented environment. Providers who turn a blind eye to a dangerous environment for the vulnerable population they serve should be punished. Fining facilities would create a powerful incentive for service operators to prioritize treatment and other interventions rather than enabling dangerous behaviors like drug use.

Conclusion

The connections between drugs, crime, homelessness, and facilities that provide services to the homeless are alarming. Many service providers, encouraged by federal agencies, have neglected the risks posed by drug use and crime to homeless individuals and the community. Policymakers need to do more to intervene properly in this growing crisis by holding both criminals and service providers to account for contributing to the problem. Creating drug-free zones is a proven model that can help save lives, reduce crime, and restore order to America's streets.

REFERENCES

1. National Alliance to End Homelessness. "State of Homelessness: 2023 Edition - Endhomelessness.Org," January 6, 2024. https://endhomelessness.org/homelessness-in-america/homelessness-statistics/state-of-homelessness/.
2. U.S. Department of Housing and Urban Development. "2022 Annual Homeless Assessment Report, Part 1," 2022. https://www.hud.gov/sites/dfiles/PA/documents/HUD-PIT-by-the-numbers.pdf.
3. Cicero Institute. "2023 Arizona Issues Poll." Cicero Institute, 2023. https://ciceroinstitute.org/wp-content/uploads/2023/10/Arizona-Homelessness-Polling-Summer-2023.pdf.
4. U.S. Department of Housing and Urban Development. "HUD 2023 Continuum of Care Homeless Assistance Programs Homeless Populations and Subpopulations," November 19, 2023. https://files.hudexchange.info/reports/published/CoC_PopSub_NatlTerrDC_2023.pdf.
5. Kushel, MD Margot, PhD Tiana Moore, and University of California San Francisco. "Towards a New Understanding." Benioff Homelessness and Housing Initiative, June 2023. https://homelessness.ucsf.edu/sites/default/files/2023-06/CASPEH_Report_62023.pdf.
6. U.S. Department of Housing and Urban Development. "HUD 2012 Continuum of Care Homeless Assistance Programs Homeless Populations and Subpopulations," November 15, 2012. https://files.hudexchange.info/reports/published/CoC_PopSub_State_AZ_2012.pdf.
7. Kushel, Benioff Homelessness and Housing Initiative.
8. U.S. Department of Housing and Urban Development, November 19, 2023.
9. National Institute on Drug Abuse. "Part 1: The Connection Between Substance Use Disorders and Mental Illness | National Institute on Drug Abuse," September 27, 2022. https://nida.nih.gov/publications/research-reports/common-comorbidities-substance-use-disorders/part-1-connection-between-substance-use-disorders-mental-illness.
10. SMI Adviser. "How Many Individuals Who Have Serious Mental Illness Also Have a Substance Use Disorder? - SMI Adviser," January 19, 2024. https://smiadviser.org/knowledge_post_fp/how-many-individuals-who-have-serious-mental-illness-also-have-a-substance-use-disorder.
11. City Journal. "Pushing Back on Homeless Encampments: 10 Blocks Podcast," September 20, 2023. https://www.city-journal.org/multimedia/pushing-back-on-homeless-encampments.
12. Office of the District Attorney, County of San Diego. "DA Shares First-of-Its Kind Crime Data, Proposes Three-Point Plan to Address Intersection of Crime and Homelessness: Data Shows Homeless Far More Likely to Be Victims and Perpetrators." March 21, 2022. https://www.sdcda.org/content/MediaRelease/Homeless%20Data%20and%20Plan%20News%20Release%20FINAL%203-21-22.pdf.
13. Kushel, Benioff Homelessness and Housing Initiative.
14. Gauthier, Charles. "Opinion: Homeless Shelter Residents Are 'Neighbours, Not Strangers.'" vancouversun, November 14, 2017. https://vancouversun.com/opinion/op-ed/opinion-homeless-shelter-residents-are-neighbours-not-strangers.
15. Faraji, Sara-Laure, Greg Ridgeway, and Yuhao Wu. "Effect of Emergency Winter Homeless Shelters on Property Crime." Journal of Experimental Criminology, January 11, 2018. https://doi.org/10.1007/s11292-017-9320-4.
16. Murphy, Jarrett. "After the Shouting, Do Shelters and Supportive Housing Harm Neighborhoods?" City Limits, March 28, 2016. https://citylimits.org/2015/02/25/after-the-shouting-do-shelters-and-supportive-housing-harm-neighborhoods/.
17. Leclair, Marichelle C., Félicia Deveaux, Laurence Roy, Marie-Hélène Goulet, Éric Latimer, and Anne G. Crocker. "The Impact of Housing First on Criminal Justice Outcomes among Homeless People with Mental Illness: A Systematic Review." The Canadian Journal of Psychiatry, January 6, 2019. https://doi.org/10.1177/0706743718815902.
18. Kirst, Maritt, Suzanne Zerger, Vachan Misir, Stephen Hwang, and Vicky Stergiopoulos. "The Impact of a Housing First Randomized Controlled Trial on Substance Use Problems among Homeless Individuals with Mental Illness." Drug and Alcohol Dependence , 2015.
19. Kertesz, Stefan, Kimberly Crouch, Jesse Milby, Robert Cusimano, and Joseph Schumacher. "Housing First for Homeless Persons with Active Addiction: Are We Overreaching? ." PubMed Central, June 4, 2009. https://www.ncbi.nlm.nih.gov/pmc/articles/PMC2881444/.
20. Freer, Erica, and Quinn A. W. Keefer. "Are Drug-Free School Zones Effective? Evidence From Matching Schools and School-like Entities." Journal of Drug Issues, December 20, 2021. https://doi.org/10.1177/00220426211057905.
21. Porter, Nicole, and Tyler Clemons. "Drug-Free Zone Laws: An Overview of State Policies." The Sentencing Project, December 2013. https://www.sentencingproject.org/app/uploads/2022/08/Drug-Free-Zone-Laws.pdf.
22. U.S. Department of Housing and Urban Development. "Housing First and Harm Reduction." Housing Opportunities for Persons with AIDS. Accessed February 20, 2024. https://files.hudexchange.info/resources/documents/HOPWA-Factsheet-Housing-First-and-Harm-Reduction.pdf.



CICERO
INSTITUTE

2112 Rio Grande Street
Austin, Texas 78705

ciceroinstitute.org

Drug-Free Homeless Service Zones

SECTION 1. Title and Purpose.

A. This Act shall be known and may be cited as "The Drug-Free Homeless Service Zones Act."

B. The purpose of this Act is to protect vulnerable and at-risk populations from the predation of distributors of illicit substances by increasing penalties for distributing illicit substances within the perimeter of a homeless service zone.

SECTION 2.

A. An offense of this Act is committed if a person intentionally or knowingly:

    a. Is present in a drug-free homeless service zone with the intention to sell or transfer dangerous drugs or narcotic drugs.

    b. Allows individuals to possess or use a controlled substance on the premises of a facility-based service that:

        i. Primarily serves homeless individuals; and

        ii. Receives state, local, and federal monies.

B. An offense under subsection (A)(a) of this section is punishable as the same class of felony for which the offense would be punishable under existing law had the violation not occurred within a drug-free homeless service zone, except that the presumptive, minimum, and maximum sentence for the offense shall be increased by one year. The additional sentence imposed under this subsection is in addition to any enhanced punishment that may be applicable under subsection D. Notwithstanding any other law, a person is not eligible for suspension of sentence, probation, pardon, or release from confinement on any basis for an offense punishable under subsection (A)(a).

C. A person who violates subsection (A)(b) of this section is guilty of a class [1 or A] misdemeanor.

D. An operator who violates subsection (A)(b) of this section is ineligible to apply for homelessness assistance grants from the state for a period of three years.

E. In addition to any other penalty prescribed by this title, a person adjudged guilty of an offense under this title shall be punished by a fine of not less than two thousand dollars or three times the value as determined by the court of the drugs involved in or giving rise to the offense, whichever is greater. No fine under this subsection shall be suspended, in part or whole, for any reason.

F. Each operator of a facility-based service that primarily serve homeless individuals shall place and maintain permanently affixed signs located in a conspicuous manner clearly visible to the public at the main entrance of the facility that identifies the building and its accompanying grounds as a drug-free homeless service zone. Such signs shall be written in both English and Spanish and in contrasting colors with block letters at least one inch in height.

G. For the purposes of this section:

    a. "Drug-free homeless service zone" means the area within three hundred feet of the premises of a facility-based service.

    b. "Facility-based services" means any emergency or temporary shelter, transitional housing provider, or permanent supportive housing entity that receives government funds for the purpose of providing shelter to homeless persons.

    c. "Operator" means the sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company, or other entity or business association that is the direct recipient of government funds for the provision of facility-based services.

Sec. 82-50. Receiving stolen property.

(a) A person commits the crime of receiving stolen property if for the purpose of depriving the owner of a lawful interest therein, he or she receives, retains or disposes of property of another knowing that it has been stolen, or believing that it has been stolen.

(b) Evidence of the following is admissible in any criminal prosecution pursuant to this section to prove the requisite knowledge or belief of the alleged receiver:

(1) That he or she was found in possession or control of other property stolen on separate occasions from two or more persons. .

(2) That he or she received other stolen property in another transaction within the year preceding the transaction charged.

(3) That he or she acquired the stolen property for a consideration which he or she knew was far below the reasonable value.

(4) That he or she obtained control over stolen property knowing the property to have been stolen or under such circumstances as would reasonably induce a person to believe the property was stolen.

(5) That he or she is in possession of any shopping cart which has a name or mark indicating ownership, or where the name or mark or serial number has been removed or altered, and is not on the premises of the owner or an adjacent parking area shall be presumed to be in possession of stolen property.

"Shopping cart" is defined as a basket mounted on wheels, or a similar device, generally used in a retail establishment by a customer for the purpose of transporting goods of any kind.

(c) Receiving stolen property is a misdemeanor and punishable as proscribed in section 1-5 of this Code.