

2022

Qualified Allocation Plan

Adopted on September 30, 2021 by Kansas Housing Resources Corporation



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I. INTRODUCTION

“Unlocking Home” since 2003, the mission of Kansas Housing Resources Corporation (KHRC) is to help our citizens access the safe, affordable housing they need and the dignity they deserve. Codified at K.S.A. 74-8901 *et. seq.*, KHRC is a public corporation and independent instrumentality of the State. KHRC serves as the housing finance agency for Kansas.

KHRC addresses housing issues and needs for the citizens of Kansas by administering essential programs that allow communities and service organizations to help Kansans. KHRC’s “Core Values”, programs and services can be found on our [website](#).

One of KHRC’s most important resources and programs for affordable housing development in Kansas is the Low-Income Housing Tax Credit (LIHTC) Program. KHRC serves as the allocating agency for administering the LIHTC Program in our state. KHRC has adopted this qualified allocation plan (QAP) for 2022 to administer the LIHTC program pursuant to Internal Revenue Code (IRC) Section 42.

The QAP also will govern the award of the following resources to LIHTC properties:

- HOME Investment Partnerships funding (HOME);
- National Housing Trust Fund (NHTF); and
- tax-exempt private activity bonds (Bonds).

A. PUBLIC INPUT AND DRAFTING PRINCIPLES

KHRC solicited comments on its website and in broadcast emails. The official public hearing was held virtually on September 7, 2021 at 10:30am CDT.

In addition to considering input from interested parties, the following principles guided KHRC in completing the QAP:

- fair distribution of resources across the state;
- value of sustaining long-term partnerships;
- responsibility to low-income households;
- efficient use of time for all parties; and
- selection criteria reflecting:
 - how proposals differ in consequential ways;
 - limits on incentives to make problematic choices; and
 - aspects already in place or within a developer’s control

B. DISCRETION AND MODIFICATIONS

In the process of administering LIHTCs, HOME, NHTF, and Bonds, KHRC will make decisions and interpretations regarding the QAP, applications, and properties. Unless otherwise stated, KHRC is entitled to the full discretion allowed by law in making all such decisions and interpretations.

In the event of a:

- conflict with state or federal laws or regulations;
- weather-related disaster;
- major disruption in financial markets;
- substantial change in resources available; or
- other similar unforeseen, consequential circumstance;

KHRC may amend, disregard, modify, or withdraw any section of the QAP, including selection criteria, that interferes with an appropriate response.

II. APPLICATION/AWARD PROCESS AND FEES

Unless otherwise indicated, the criteria in this QAP Section II apply to all applications, including those for 4% LIHTCs and Bonds.

A. THE APPLICANT

Each application will identify one individual or validly existing entity as the Applicant. An entity may be a corporation (including nonprofits), limited liability company (LLC), or limited partnership. The Applicant must be eligible under QAP Section IV(A)(1) and will:

- execute the application;
- receive all KHRC communications, including from software systems;
- exercise sole authority to make decisions regarding the application (KHRC will not consider agreements regarding the relative rights of joint venture parties); and
- become a managing member or general partner of the ownership entity (may be through a single purpose LLC or limited partnership).

B. APPLICATION REQUIREMENTS

KHRC will specify the form, manner, and process of receiving applications and may require the submission of information, letters, and/or representations before or after submission deadlines. Applicants must comply with all such instructions to the same extent as QAP requirements.

KHRC will determine how to address erroneous, omitted, or outdated information. Possibilities include:

- contacting the Applicant;
- asking third parties with relevant knowledge;
- making a change and informing the Applicant;
- charging a fee of up to \$1,000 per application; and/or
- determining the application is ineligible.

C. APPLICATION/AWARD SCHEDULE


KHRC may deem an application ineligible for failure to meet a deadline. The schedule may change to accommodate weather events or other circumstances affecting the logistics of submissions. KHRC will notify local officials of applications submitted, as required under IRC Section 42.

1. 4% LIHTCS AND BONDS


KHRC will accept applications for 4% LIHTCs and Bonds year-round, with the exception of the months of September and October. Applications also requesting HOME and/or NHTF must meet the 9% LIHTC deadlines.

Applicants must request a Procorem Workcenter log-in prior to applying. With the exception of the application fee, all application items will be submitted through the Procorem system.

Applicants must provide KHRC with an application for the 4% LIHTCs with accompanying documentation. KHRC will review all submissions simultaneously with the preliminary requirements and selection criteria and make decisions within 60 days of a properly documented request (unless the application includes HOME and/or NHTF). Applicants must work with the bond issuer to obtain a bond inducement resolution and a private activity bond allocation application in a timely manner. If construction closing does not commence within 90 days of the 4% approval, KHRC may require the applicant to reapply.

 Municipalities may have no more than four 4% applications underway and/or developments not yet placed in service at the same time.

2. 9% LIHTC DEADLINES

 Preliminary Applications due	Friday, January 21
Invitation to Submit Full Applications	Friday, February 18
Full Applications due	Friday, May 6
Award Announcements	July, 2022

D. KHRC HOME AND NHTF LOANS

Applicants may request HOME and/or NHTF loans by including either or both as a funding source in the application and submitting the required supporting documentation. KHRC will award only the amount needed for project viability, which may be more or less than requested. HOME and NHTF are limited, and applications should request only an amount necessary for project viability. Requests should be limited to no more than \$750,000 of each.

Developments proposing to use HOME or NHTF must include a certification that the development team understands and will comply with the requirements for the respective programs. Requirements and further information on HOME and NHTF are in Appendix B.

For LIHTC proposals, HOME funds may be available to developments in a county identified as an underserved county that is:

- not currently served (as identified in the bylaws) by an organization that is eligible for certification by KHRC as a Community Housing Development Organization (CHDO) and which has the capacity to carry out the proposed activity in the role of sole managing member or sole general partner; or
- served by such an organization which has not completed any new LIHTC developments in the county within the past five years.

HOME funds are otherwise available to LIHTC developments for which the sole managing member or sole general partner is an organization that does qualify as a CHDO.

E. KHRC FEES

All fees are non-refundable.

Pre-Application: \$250 for each preliminary application.

Full Application: \$10 per unit for each proposal. Eligible applicants applying for the 9% Nonprofit Set-Aside are exempt.

Reservation: 7% of the annual LIHTC reserved paid upon closing of the development's construction financing. Nonprofit applicants pay 2.5%. Private Activity Bond reservation fees are due within 5 business days of bond issuance.

Allocation Fee: 3% of the annual LIHTC allocation amount paid at the time the allocation request and documentation are submitted to KHRC. Nonprofit applicants pay 1%. Private Activity Bond credit allocation fees are due when KHRC issues the Forms 8609.

HOME and/or National Housing Trust Fund Soft Costs: KHRC will reserve up to **Twenty Thousand Dollars (\$20,000)** of the HOME and/or NHTF award to reimburse itself for certain project-related soft costs applicable to the development. This includes, but is not limited to, costs incurred by KHRC related to underwriting, review, and oversight. KHRC will include this amount in underwriting and will adjust the HOME or NHTF award accordingly.

Bond Issuance Fee: Assessed by the bonding authority on the amount of allocation actually issued, and the fee is due to KHRC:

\$0 - \$5,000,000 - 10 basis points (.001)

\$5,000,001 and above - 20 basis points (.002)

Bond allocation fees and LIHTC fees may be paid together.

Monitoring Fee: \$9.00 per \$1,000 (.009) of the annual LIHTC amount allocated is due for all placed-in-service properties no later than March 15th following the first year of the LIHTC. An annual monitoring fee of \$4.00 per \$1,000 (.004) of the annual LIHTC amount allocated is due for all properties in the 16th year and thereafter no later than March 15. Properties with HOME and/or NHTF funds will pay an additional monitoring fee based on the number of assisted units.

Asset Management Fee: \$100 per unit per year for all properties that have entered into an Asset Management Agreement with KHRC, unless otherwise agreed upon. The fee is due no later than March 15th following the placed-in-service year of the first building.

III. 9% LIHTC LIMITS AND SET-ASIDES

The criteria in this QAP Section III do not apply to applications for 4% LIHTCs and Bonds.

A. LIMITS ON AWARDS

1. AWARD

The maximum per award is \$750,000 in LIHTCs. KHRC may waive the limit in this subsection:

- to reduce a request for a HOME or NHTF loan, or
- for applications addressing large-scale, locally important activities. KHRC expects that requests larger than \$750,000 in LIHTCs will qualify for the Unique Opportunity set-aside.

2. PRINCIPAL

No Principal, as defined in QAP Section IV(A)(2), will receive more than the lesser of two awards or 10% of the state's anticipated available annual LIHTCs. If the selection criteria would result in exceeding this limit, KHRC will determine which application(s) to award.

3. COUNTY

KHRC will generally make no more than one new construction award per county as defined in QAP Section III(C)(2). Metropolitan counties as defined in QAP Section III(C)(1) may receive two each. If the selection criteria would result in exceeding this limit, KHRC will determine which application(s) to award.

B. REHABILITATION SET-ASIDE

Based on the selection criteria in QAP Section V, KHRC will award at least 20% of available LIHTC to eligible applications proposing the rehabilitation of existing housing. In the event of inadequate demand among eligible applications, KHRC will make additional awards in the other set-asides.

C. NEW CONSTRUCTION SET-ASIDE

1. METROPOLITAN

KHRC will award at least 36% of LIHTCs available for new construction to applications in the following counties:

Douglas	Johnson	Sedgwick	Shawnee	Wyandotte
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In the event of inadequate demand among eligible applications, KHRC will make additional awards in the Rehabilitation and/or Rural set-asides.

2. RURAL

KHRC will award at least 29% of LIHTCs to new construction applications in other counties. In the event of inadequate demand among eligible applications, KHRC will make additional awards in the Rehabilitation and/or Metro set-asides.

D. GENERAL SET-ASIDE

KHRC will award the remaining LIHTCs based on

- the demand and evaluation of the applications,
- the selection criteria,
- which site(s) is/are the best location for the households served,
- committed to higher energy standards,
- requested the lower amount of LIHTCs, and
- the highest percentage of 30% AMI or less units.

E. NONPROFIT SET-ASIDE

KHRC will award at least 10% of LIHTCs to applications involving tax-exempt organizations (nonprofits). In order to qualify, the nonprofit must:

- be the listed Applicant;
- have fostering of low-income housing as one of its exempt purposes;
- become a managing member or general partner of the ownership entity; and
- materially participate, as defined under federal law, in the acquisition, development, ownership, and ongoing operation of the property for the entire compliance period.

The preliminary application must include a Resolution from the Board of Directors confirming that the nonprofit meets the requirements and supports the application submission.

F. UNIQUE OPPORTUNITIES

KHRC may award LIHTCs to up to two applications outside the QAP selection criteria.

Applicants must propose consideration for the Unique Opportunities set-aside in the preliminary application. In making awards, KHRC may consider:

- regional distribution;
- scale of community impact;
- extraordinary market and population needs;
- unique funding and leveraging opportunities;
- disaster recovery response;
- competitive rankings of applications; and
- 100% Supportive Housing
 - A Proposal for segregated supportive housing must identify a targeted population that has disabilities that significantly interfere with the ability to maintain stable housing without appropriate supportive services. Applicants must detail why such services cannot be provided in a non segregated setting. Tenants must not be required to accept services, and the project must be open to all otherwise eligible persons with disabilities who may benefit from the services provided. Any limitation or preference for occupancy must not violate nondiscrimination requirements of the Fair Housing Act and any other funding source for the development.

The awards count towards the limits of the applicable Principal and/or county set-aside(s). The LIHTCs, HOME, and/or NHTF awarded may be greater than the stated maximums.

IV. THRESHOLD ELIGIBILITY

Unless otherwise indicated, the criteria in this QAP Section IV apply to all applications and properties, including those for or with 4% LIHTCs and Bonds. KHRC may determine eligibility by contacting third parties.

A. ALL APPLICATIONS AND PROPERTIES

Applications must meet the applicable underwriting criteria in QAP Section V.

1. APPLICANT EXPERIENCE

DEVELOPER AND OWNER

The Applicant must:

- have been listed in an awarded application(s) as a developer (may be a joint venture), and
- be serving as a managing member or general partner in the ownership entity, for at least one LIHTC property in Kansas or three in other states. The Applicant's involvement may be through a single purpose LLC or limited partnership.

PROPERTIES

The LIHTC property or properties must:

- have been placed in service between January 1, 2012 and December 31, 2021, and
- not be in material noncompliance with any applicable affordable rental housing program requirements.

Determined at preliminary application.

2. PRINCIPALS

DEFINITION

Principals include the Applicant and any individuals or entities:

- listed as a developer;
- listed as a member/partner of the eventual ownership entity (excluding LIHTC equity providers);
- receiving more than \$20,000 for consulting or providing a guarantee; and/or
- who are immediate family members or affiliates of the foregoing (immediate family members include spouse, parents, step-parents, grandparents, children, grandchildren, siblings, parent in-laws, and sibling in-laws).

Applicants must disclose all consultants and interested parties.

DISQUALIFICATION

KHRC may disqualify applications based on a Principal:

- making misrepresentation or providing materially false information in an application;
- not having closed LIHTC equity on a property awarded in 2020 or before;
- allowing an affordable rental housing property to enter into foreclosure;
- being removed from an LIHTC ownership entity by an equity investor;
- being suspended, debarred or otherwise excluded from doing business with any federal housing program;
- committing acts which violate KHRC's Code of Ethics; or
- not being in good standing with any affordable rental housing program administrator.

Determined at full application.

3. LIHTC MANGEMENT EXPERIENCE

The proposed management agent entity must be:

- a management agent for at least three KHRC properties in Kansas or seven LIHTC properties in other states, and
- considered in good standing with all affordable rental housing program administrators.

Applications may list two management agents so long as one meets the requirements above. The eligible entity must remain in the lead role for at least two years after the last building places in service. The other listed management agent can manage the property upon KHRC's written approval.

Determined at full application.

4. SITE CONTROL

Applications must include documentation of either current ownership or the legal ability to purchase the real estate for the proposed property (may be a long-term ground lease) that is:

- in the name of the Applicant, Principal, or an affiliated entity, and
- valid through at least one month after the anticipated award date.

Determined at preliminary application.

5. MARKET NEED

Applications must include a study prepared by a market analyst, unaffiliated with the developer or the city where the development is located, who has experience with multifamily rental housing. Market studies must show adequate demand for the property and meet the Model Content Standards Version 3 Adopted on January 14, 2013 by the National Council of Housing Market Analysts.

Determined at full application.

6. FUNDING SOURCES

Applications must include documentation of a commitment for all funding sources, other than KHRC loans. The debt commitment letters must comply with QAP Section VII(A)(5).

Determined at full application.

7. AVERAGE INCOME MINIMUM SET-ASIDE

Applications must indicate the property's minimum set-aside, which cannot change after submission. If the Applicant opts for average income, the market study must specifically reflect it being the choice. Properties electing the average income minimum set-aside may not:

- contain market-rate units or
- propose average designations exceeding 60% of area median income (AMI) for any bedroom type (a pro-rata distribution).

KHRC may waive the foregoing, if necessary, for a rehabilitation application to better fit the household incomes of in-place tenants.

For projects with more than one building, owners must select that each building is part of a multiple building set-aside on line 8b in Part II of IRS Form 8609.

Determined at full application.

8. DEVELOPMENT COSTS

KHRC may determine an application is ineligible due to excessive per-unit costs. See QAP Section VII(C) for additional limitations on development costs.

Determined at full application.

9. PERSONS WITH DISABILITIES AND LEASES

The ownership entity and management agent will:

- expressly include reasonable accommodations in the application for tenancy;
- not ask applicants/residents for medical or other protected information unless and only to the extent legally necessary (e.g., processing reasonable accommodations);
- use standard leases with the same rights available to, and responsibilities expected of, all households, including duration of tenancy (cannot be transitional);
- ensure participation in any supportive services is entirely voluntary (not a formal or implied condition of occupancy); and
- not give a preference based on either disability type (actual or perceived) or being a client of a particular provider.

A post-award documentation requirement.

10. ACCESSIBLE UNITS

The management agent will offer units with accessibility features:

- first to existing tenants,
- then to the next applicant on the waiting list

who may benefit from such features before offering the unit to otherwise qualified applicants. Offers must respond to individuals' voluntarily stated preferences, not presumptions based on perceptions of medical circumstances.

A post-award documentation requirement.

11. DESIGN REQUIREMENTS

Properties must be designed and constructed in accordance with applicable Federal and State requirements for accessibility by persons with disabilities, including Appendix C.

Determined at full application and a post-award documentation requirement.

12. PUBLIC HOUSING AND HOUSING CHOICE VOUCHER (HCV) WAITLIST

At least one month prior to commencing lease-up, the ownership entity will inform the local public housing authority and HCV administrator(s) (Section 8) of the acceptance of their referrals.

A post-award documentation requirement.

B. REHABILITATION

1. SCOPE OF WORK

Applicants must submit a detailed scope of work describing the proposed activities in either a narrative form or a list broken down by an indexing system that organizes construction data.

In all rehabilitation proposals, the scope of work shall address work to be done in all units within the development. Should any unit not require work, documentation as such must be noted in the scope of work. No unit shall be left unaddressed.

Determined at preliminary application.

2. PHYSICAL NEEDS ASSESSMENT

Applicants must submit a detailed Physical Needs Assessment (PNA) which complies with Appendix C. KHRC must be able to enter the buildings to conduct inspections.

Determined at full application.

3. MINIMUM PER UNIT

Buildings must require an average of at least \$25,000 per unit in rehabilitation hard costs, as determined by the PNA and KHRC's assessment.

Determined at full application.

4. RELOCATION

The Application must include a relocation/displacement plan, including a projected budget and an explanation of efforts to mitigate the impact on residents. For developments requesting HOME or NHTF, the owner must comply with the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended ("URA").

Determined at full application.

5. INCOME AND RENT TARGETING

Properties will comply with the more restrictive of the:

- elected LIHTC minimum set-aside, or
- applicable requirements of any other affordable rental housing program.

Determined at full application.

C. NEW CONSTRUCTION

1. INCOMPATIBLE USES

HALF MILE

KHRC may determine an application is ineligible due to the site being within a half mile of the following:

- chemical or hazardous materials storage/disposal;
- commercial junk or salvage yards;
- industrial or agricultural activities generating odors or pollution;
- landfills currently in operation; or
- wastewater treatment facilities.

NEARBY

An application may be ineligible if the site is adjacent to, or across a street from, any of the uses listed above or the following:

- adult entertainment establishment;
- distribution facility involving trucking;
- electrical utility substation;
- factory or similar industrial operation;
- jail or prison;
- large swamp;
- source of excessive noise; or
- other factors which create an environmental justice concern, creating undue adverse environmental impact on a low-income, minority, or special population.

SITE

An application may be ineligible if the site:

- has any portion on a 100-year flood hazard area;
- is in, or would have, an impact on a wetland.

Determined at preliminary application.

2. ZONING

Applications should include documentation of all necessary legislative and quasi-judicial land use approvals, including rezoning, conditional or special use permits, and variance, are in place for the proposed property. If the proposed site is not properly zoned, written confirmation from the municipal zoning authority that the proposed use is within the parameters of existing conforming zoning designations is required. In these instances, the LIHTC reservation will be contingent upon the receipts of land use entitlement approval.

Determined at full application.

3. CONNECTIONS

Applications must include documentation that:

- all necessary utilities are currently available or connections are possible, and
- the proposed property has or will have access to a publicly maintained road.

Determined at full application.

4. DESIGN REQUIREMENTS

All newly constructed developments must design and construct at least 5% percent of the dwelling units, or one unit, whichever is greater, to be accessible for persons with mobility disabilities, regardless of funding source. These units must meet Uniform Federal Accessibility Standards (UFAS) for physical accessibility. An additional 2% percent of the dwelling units, or one unit, whichever is greater, must have equipment to make it accessible for persons with hearing or visual disabilities.

5. INCOME AND RENT TARGETING

The AMI requirements below apply to both the maximum housing expense (affordable to) and household income at move-in (occupied by). Properties with 4% LIHTCs and Bonds are exempt from this subsection. An award of HOME or NHTF will result in additional requirements.

METROPOLITAN

Applicants for properties in Metropolitan counties will elect to comply with one of the following:

- the average income minimum set-aside with designations set to average 56.0% of AMI or less;
- the 20/50 or 40/60 election and at least 20% of units to households at 40% AMI or below. The 40% AMI units must have rents that are within the appropriate Public Housing Authority voucher threshold.
- the 20/50 or 40/60 election and at least 20% of units to households at 30% AMI or below. The 30% AMI units must have rents that are within the appropriate Public Housing Authority voucher threshold.

RURAL

Applicants for properties in Rural counties will elect to comply with one of the following:

- the average income minimum set-aside with designations set to average 58.0% of AMI or less;
- the 20/50 or 40/60 election and at least 20% of units to households at 50% AMI or below. The 50% AMI units must have rents that are within the appropriate Public Housing Authority voucher threshold.

Determined at full application.

6. CONVERSION TO HOMEOWNERSHIP

Developments proposing single family structures (no common walls), must include a detailed, comprehensive plan for converting the units to ownership by the tenants after 15 years. Conversion must be optional to the tenant household. Units will remain governed by the Declaration of Land Use Restrictive Covenants for 30 years or until converted.

Indicated at preliminary application, evaluated at full.

V. SELECTION CRITERIA: REHABILITATION

KHRC will invite 9% LIHTC rehabilitation applications which:

- earn 310 points under the Appendix A categories, and
- meet any threshold requirements determined at preliminary application to submit a full application.

Eligible applications will compete under the criteria in this QAP Section V.

KHRC will make awards based on its evaluation of the factors below. Each factor will result in an application having a higher priority and is listed in declining order of significance.

- Requiring more rehabilitation work, based on KHRC review and/or the PNA.
- The Kansas state USDA Rural Development office identifying a priority site for rehabilitation.
- A greater percentage of units with project-based rent assistance.
- LIHTC resyndications.
- A greater ratio of hard costs to total development budget.
- Properties identified by a local government as in need of rehabilitation for community revitalization purposes.
- The Applicant's experience as a LIHTC property owner.

Implementation of this subsection will not involve point scoring. KHRC will apply these selection criteria to the applications.

Assessed at full application.

VI. SELECTION CRITERIA: NEW CONSTRUCTION

KHRC will invite 9% LIHTC new construction applications which:

- earn 310 points under the Appendix A categories, and
- meet any threshold requirements determined at preliminary application to submit a full application. KHRC may also set a minimum number of points based on the criteria scored at preliminary application. KHRC will invite applicants to participate in the full application period, and full applications will compete under the criteria in this QAP Section VI.

A. APPLICANT'S AND PRINCIPALS' EXPERIENCE

Maximum of 10 points.

1. SUCCESSFUL OUTCOMES

Applications may not earn points for both in-state and out-of-state properties. In the event an application is eligible under both, KHRC will award whichever amount is higher.

IN-STATE

KHRC will award 1 point for each Kansas LIHTC property up to 5 points (including 4% LIHTCs and Bonds) placed in service between January 1, 2011 and December 31, 2020 for which the Applicant:

- was listed in the application(s) as a developer (may be a joint venture), and
- served as a managing member or general partner in the ownership entity, and
- remained in good standing with KHRC throughout the development.

OUT-OF-STATE

KHRC will award 3 points if the Applicant:

- placed 3 properties in service in states other than Kansas between January 1, 2011 and December 31, 2020,
- was listed in the applications as the developer (may be a joint venture),
- served as a managing member or general partner in the ownership entity, and
- remained in good standing throughout the development.

2. SUCCESSFUL BELOW MARKET LOANS AND SUPPORT

KHRC will award 5 points if the Applicant meets at least 2 of any of the criteria below for Kansas LIHTC properties placed in service between January 1, 2011 and December 31, 2020 for which the Applicant:

- was listed in the application(s) as a developer (may be a joint venture), and
- served as a managing member or general partner in the ownership entity, and
- remained in good standing with KHRC throughout the development.

Applicants must submit proof of the loans and/or support in the form of an official document from the loan or support provider.

BELOW MARKET LOANS AND SUPPORT

Sources of the following will qualify:

- HOME (jurisdictions other than KHRC);
- Community Development Block Grant;
- Federal Home Loan Bank Affordable Housing Program;
- Other Federal, State or local housing resources provided by a local jurisdiction;
- Public housing authority resources; and
- Grants from nonprofit charitable or community development organizations registered in Kansas.

FEE WAIVER

A local government waived what would have been impact, utility, or other fees totaling at least:


- \$40,000 in Metropolitan counties, or
- \$20,000 in Rural Counties.

REAL ESTATE TAX EXEMPTION

Evidence of a perpetual real estate tax waiver throughout the term of permanent financing.

2. PENALTIES

KHRC may deduct 10 points if any Principal was listed as a developer or ownership entity member/partner in an application for a development that placed in service between January 1, 2011 and December 31, 2020 and:

- requested a  qualified contract for a property in Kansas after August 5, 2020.
- changed management companies and/or ownership without notifying and submitting required documentation to KHRC at least 30 days prior to the change after August 26, 2021, or
- violated any commitment in the Declaration of Land Use Restrictive Covenants (e.g., Fair Market Rent targets, homeless unit set-aside, income level targeting) as determined in the 2021 Compliance Annual Report review.

The penalty based on requesting a qualified contract will not apply if the ownership entity agrees to record a document reinstating the original Declaration of Land Use Restrictive Covenants terms other than limits on maximum household incomes.

Scored at preliminary application.

UNDERSERVED AREAS

An application may not earn points in this subsection and the Subsequent Phase subsection.

1. METROPOLITAN

KHRC will award 10 points to applications **not** in the following ZIP Codes:

66006	66046	66112	67037	67209
66012	66062	66203	67110	67210
66025	66101	66603	67147	67211
66030	66102	66607	67203	67226
66044	66104	66612	67204	67502

2. RURAL

KHRC will award 10 points to applications **not** in the following counties:

Barton	Crawford	Grant	Logan	Osborne
Bourbon	Ellis	Hamilton	Lyon	Reno
Brown	Ellsworth	Harvey	McPherson	Riley
Butler	Finney	Jackson	Miami	Rooks
Chase	Ford	Jefferson	Montgomery	Saline
Clay	Franklin	Kearny	Morris	Scott
Cowley	Graham	Leavenworth	Ness	

Scored at preliminary application.

C. SUBSEQUENT PHASE

KHRC will award 10 points if the building(s) proposed in the application:

- was/were always planned as part of a phased development;
- is/are the second or third phase; and
- is/are within .25 miles the previous phase(s).

The earlier phases must have:

- less than 5% physical vacancy for 12 months before preliminary application, and
- waitlists representing at least 50% of what would be the proposed phases' units.

KHRC may require documentation that land was paid for only once.

An application may not earn points in this subsection and the Underserved Areas subsection.

Scored at preliminary application.

RESIDENTIAL CHARACTER

KHRC will award 5 points if the proposed site is in or adjacent to existing residential development. The proposed structures should be compatible with existing structures, both in density and architectural style. "Adjacent to" means sharing common lot lines with structures containing at least 25% of the number of residential units proposed for this development.

To receive the points, the site will be within city limits on land that is in or committed to urban development as defined in the Farmland Protection Policy Act (FPPA) at 7 CFR 658.2(a).

Scored at preliminary application.

E. PROXIMITY TO AMENITIES

Maximum of 25 points

Applicants must provide documentation of the driving distances calculated by Google Maps for the amenities described below. Routes must be drivable as of the preliminary application deadline. The measurements will be between the points closest to:

- the site entrance, to or from
- the amenity entrance.

For scattered site properties, the measurement will be from the location with the longest distance(s).

1. PRIVATE

The establishments must be open to the general public and operating as of the preliminary application deadline with no announced closing. See Appendix D for the lists of qualifying establishments.

PRIMARY

Applicants may submit an Adobe .PDF of the Google Map driving distances to Grocery, Shopping, and Pharmacy. KHRC will:

- separate Metropolitan from Rural;
- compile the mileages;
- apply the weighting factors shown below;
- add the three (as weighted) and sort the total amounts in ascending order;
- award the maximum points (15 points) to the application with the lowest total mileage, and
- award points to the remaining applications based on their percentage of the lowest.

Below are the weighting factors used when determining points given to each proposal:

- Grocery distance will be multiplied by 0.5,
- Shopping distance will be multiplied by 0.75, and
- Pharmacy distance will be as listed.

The driving distance for applications without a valid submission will be 10 miles.

SECONDARY

KHRC will award points based on the matrix below for additional qualifying amenities (separate, distinct establishments from Primary) being within driving distances indicated.

County	2 additional	1 additional
Metropolitan, within 1 mile	5 points	3 points
Rural, within 2 miles	5 points	3 points

2. PUBLIC

KHRC will award points based on the matrix below for the following facilities being within the driving distances indicated:

- community center owned and operated by a local government with scheduled activities;
- public park owned and maintained by a local government containing, at a minimum, playground equipment and/or walking/bike trails, and listed on a map or website;
- library operated by a local government open at least five days a week;
- bus stop at a fixed location served by a public transportation system six days a week.

County	2 facilities	1 facility
Metropolitan, within 1 mile	7 points	5 points
Rural, within 2 miles	7 points	5 points

Scored at preliminary application.

F. BELOW-MARKET LOANS AND SUPPORT

Maximum of 30 points

Applicants may seek points by providing:

- documentation of the committed loan(s) and/or support(s) described below; and
- an explanation of how these loan(s) and/or support(s) will reduce KHRC resources requested, increase rent/income targeting, or both.

1. LOANS

Applications proposing market-rate units are ineligible for points under this subsection 1.

ELIGIBLE SOURCES

Only loans of or from the following will qualify:

- HOME (jurisdictions other than KHRC);
- Community Development Block Grant;
- Federal Home Loan Bank Affordable Housing Program;
- established local government housing programs;
- public housing authority resources;
- charitable organizations registered in Kansas.

KHRC may approve others in advance of the full application deadline. For scoring purposes, KHRC may disregard a source affiliated with a Principal (excluding public housing authorities).

TERMS

The source(s) must be listed as a loan in the full application with:

- an interest rate of no more than 1%,
- amortization of at least 20 years, and
- no commercially unreasonable fees.

CALCULATION

KHRC will calculate the total amount of qualifying funds committed per unit (excluding one for an employee/manager). For scoring purposes, KHRC will reduce the amount from a local government by the cost of any land to be sold to the ownership entity by that local government.

SCORING

KHRC will award points based on the matrix below.

Points	Sources/Unit	
	Metro	Rural
10	Greater than \$10,000	Greater than \$5,000
5	0 - \$10,000	0 - \$5,000

2. OTHER SUPPORT

KHRC will award 20 points to applications meeting any of the criteria below.

LAND DONATION

The real estate that will contain the proposed property is owned by a local government as of the preliminary application deadline and the application shows no more than \$5,000 in the cost line-items for land and buildings. The local government must not have purchased any portion of the real estate from a Principal.

FEE WAIVER

A local government commits to waive what would have been impact, utility, or other fees totaling at least:

- \$40,000 in Metropolitan counties, or
- \$20,000 in Rural counties.

HISTORIC

The property will be eligible for the historic rehabilitation tax credit.

APPLICANT-PROPOSED

Applicants may request in the preliminary application that KHRC approve another form of support as being eligible for points. The request should include relevant commitment documentation.

Scored at full application.

G. COMMUNITY REVITALIZATION PLANS (CRP)

Maximum of 15 points.

Applications may not earn points in this subsection and the Opportunity360 subsection. In the event an application is eligible under both, KHRC will award whichever amount is higher.

1. CRP CRITERIA

KHRC will award 5 points to applications meeting the criteria below.

- As of the preliminary application deadline, a local government formally adopted a plan to revitalize a defined geographic area (CRP) containing the proposed site. A standard land use or comprehensive plan is ineligible unless it contains a specific revitalization component.
- The local government certifies that no Principal initiated the CRP being adopted (other than a public housing authority or a related entity).
- Completing the property proposed in the application would contribute to one or more of the CRP's stated goal(s).
- The local government has made or is committed to making specific investments in non-housing infrastructure, amenities, or services beyond developing the proposed property.

A Neighborhood Revitalization Plan will qualify if it meets the above criteria.

2. QUALIFIED CENSUS TRACTS (QCT) OR REQUEST FOR PROPOSALS (RFP)

KHRC will award an additional 10 points if either the:

- defined geographic area includes any portion of a Qualified Census Tract (as of 2021 or 2022), or
- local government selected one of the Principals using a request for proposals/qualifications process.

Indicated with the preliminary applications, scored at full.

H. OPPORTUNITY AREAS (OPPORTUNITY360)

Maximum of 15 points.

Applications may not earn points in this subsection and CRP. In the event an application is eligible under both subsections, KHRC will award whichever amount is higher.

Applicants may submit an Adobe .PDF of the "Community Dashboard" for the property site from <https://www.enterprisecommunity.org/opportunity360/measure>

KHRC will:

- separate Metropolitan from Rural,
- compile the Education, Health & Well-Being, and Economic Security Index results,
- add the three and sort the total amounts in descending order,
- award the maximum points to the application with the highest total, and
- award points to the remaining applications based on their percentage of the highest.

Applications without a valid dashboard submission will receive Index results of zero.

Indicated with the preliminary applications, scored at full.

I. INCOME TARGETING, SUPPORTIVE HOUSING, SENIORS, OR FAMILIES

Maximum of 20 points.

An application may not earn points in both Senior Housing with Services and Three or More Bedrooms subsections.

1. INCOME TARGETING

The application is in the metropolitan region and commits to 15% of the units will be set-aside for households at 30% AMI and will receive 5 points.

2. INTEGRATED SUPPORTIVE HOUSING

KHRC will award 10 points to applications committing to set aside between 15% and 25% of units as permanent supportive housing with dedicated services for persons who have very low or extremely low income and are homeless, at risk of homelessness or institutionalization, or have multiple barriers to housing stability; including but not limited to persons with disabilities, substance use disorders, victims of domestic violence, youth aging out of foster care or persons exiting long-term institutional care, or frail elderly with disabling physical or mental conditions. The owner must have an Memorandum of Understanding (MOU) with the service provider that includes a sources and uses budget for provision of those services for a minimum of five years from initial occupancy. Acceptance of services offered cannot be a condition of approval for occupancy, nor can non-acceptance of services be used as grounds for termination, modification or non-renewal of a tenant's lease. The owner must also have an MOU with the management agent outlining roles and responsibilities.

3. SENIOR HOUSING WITH SERVICES

Senior developments that commit to at least three of the following will receive 5 points.

- garages or covered parking,
- storm shelters,
- UFAS units above the minimum required,
- community building or room,
- fitness room with equipment,
- internet access – free Wi-Fi or a computer room,
- walking path and outdoor seating area,
- community garden,
- adjacent to a senior center or community center with regular programming,
- regular transportation or on-site bus stop, or
- structured recreational or educational programs.

4. THREE OR MORE BEDROOMS

The applicant proposes a family property with at least 25% of units containing three or more bedrooms will receive 5 points.

Indicated with the preliminary applications, scored at full.

K. TIEBREAKER

In the event more than one application earns the same total number of points, and there are not enough LIHTCs remaining for all, KHRC will make awards based on which site(s) is/are the best location for the households served, has committed to higher energy standards, has requested the lower amount of LIHTCs, and has the highest percentage of 30% AMI or less units.

VII. UNDERWRITING STANDARDS

Unless otherwise indicated, the criteria in this Section VII apply to all LIHTC applications, including those with 4% LIHTCs and Bonds. KHRC will determine compliance at full application.

A. ALL APPLICATIONS AND PROPERTIES

Applicants must correctly complete and submit all required application forms.

1. PRO-FORMA

Applications must:

- use a 7% vacancy rate;
- trend rent increases by 2% and expenses by 3%;
- demonstrate a minimum debt coverage ratio (DCR) of 1.15 for 15 years.

There is no formal maximum DCR but exceeding 1.50 or \$600 per unit per year may result in a reduction in awarded resources. KHRC will evaluate a high DCR to determine if requested resources are necessary for sustainability.

KHRC will assess the DCR without regard to any deferred developer fees or funds paid to members/partners (e.g., distributions, asset management fees, loan payments).

2. OPERATING EXPENSES

KHRC will base the minimum operating expenses for rehabilitation applications on the property's current operations, as may change resulting from physical improvements.

The minimum for new construction is \$3,200 per unit per year, excluding real estate taxes and reserve payments. Applicants may request a lower amount by including documentation of comparable properties.

3. REQUIRED RESERVES

The requirements in this subsection do not apply to properties with USDA-Rural Development (RD) rent assistance.


LEASE-UP

Owners must deposit a reasonable amount based on the projected absorption. For new construction properties, the minimum is \$300 per unit. The management agent will use these funds to pay rent-up expenses. Any amount remaining when the property reaches 93% occupancy must be transferred to the replacement reserve account, operating reserve account, or to pay real estate and property insurance costs.

OPERATING

The operating reserve must reflect at least six months of operating expenses and debt service.

REPLACEMENT

 Developments must fund an annual replacement reserve of a minimum of \$300 per unit, increased annually by 3%. The owner may choose a level contribution schedule for the annual replacement reserve requirement over the first 15 years of compliance. If chosen, the required annual contribution will be the total sum of the 15 year annual replacement reserve required (minimum \$300 per unit increased annually by 3%) divided by 15 years.

4. EQUITY PRICING

KHRC may use the price outlined in the excel application to evaluate the proposal, provided the price reasonably reflects current market conditions. KHRC may evaluate proposals at credit prices different than outlined in the application.

5. COMMITMENT LETTERS

Applications must include commitment letters indicating the following for all permanent loans:

- amount,
- term and amortization (minimum of 15 years),
- fixed interest rate,
- fees charged,
- reserve requirements,
- anticipated lien position, and
- the election of the average income is acknowledged and affirmed, if applicable.

If the ownership entity will assume a loan, the application must include a letter from the lender stating the loan can be assumed and details of the terms/conditions.

6. HOME FUNDS

HOME funds awarded as 'CHDO Set-Aside' may be deferred for the term of the HOME restricted use period. KHRC may structure those loans with repayment terms based on project underwriting. HOME funds awarded to LIHTC developments that do not have a CHDO as sole managing member or sole general partner will be subject to repayment terms based on project underwriting.

7. DDA AND QCT BASIS BOOST

Properties with 4% LIHTCs and Bonds will receive the 30% increase in eligible basis because of being located in a Difficult Development Area (DDA) or Qualified Census Tract (QCT). Applicants for properties with 9% LIHTCs may request the boost based on the criteria in QAP VII(B)(1) or VII(C)(1).

8. MINIMUM DEVELOPER FEE

Developer Fees must meet the minimum of \$40,000 and the maximum indicated in QAP Sections VII(B)(2) or VII(C)(2).

These totals are inclusive of any consulting fees. The application may not show more than half of the developer fee as deferred.

9. CONTRACTOR FEE MAXIMUM

Contractor fees cannot exceed:

- General Requirements – 5%
- Builder's Overhead – 2%
- Builder's Profit – 5%

B. REHABILITATION

Underwriting standards for rehabilitation proposals will apply to any housing development with existing tenants.

1. BASIS BOOST

Developments located in a Qualified Census Tract or in a Difficult Development Area may be eligible for an increase in eligible basis up to 30%.

KHRC may allow an increase in eligible basis of up to 30% for LIHTC resyndications not requesting the acquisition credit because current members/partners or affiliates will remain in the ownership entity. KHRC must order the appraisal.

2. DEVELOPER FEE

Developer Fee is limited to the amount in QAP Section VII(A)(g) or 20% of the Eligible Basis (before any boost) of the Qualified Low-Income Building(s), excluding the Developer Fees and acquisition costs.

3. DEVELOPMENT COSTS

KHRC will determine the appropriate amount for each line item based on the:

- appraisal,
- applicant's proposed amounts,
- Physical Needs Assessment, and
- staff's professional judgement.

Maximum contingency is 10% of rehabilitation hard cost line-items.

C. NEW CONSTRUCTION

Underwriting standards for new construction proposals will apply to both new construction and adaptive reuse.

1. BASIS BOOST

KHRC may allow an increase in eligible basis of up to 30% for properties in a Qualified Census Tract, in a Difficult Development Area, or the proposal is in a Rural county as defined in QAP Section III (C). Applications are ineligible if the property will contain unrestricted, market-rate units.

2. DEVELOPER FEE

Developer Fee is limited to the amount in:

- QAP Section VII(A)(g),
- \$20,000 per unit for developments less than or equal to 50 units, or
- \$18,000 per unit for developments greater than 50 units.

3. DEVELOPMENT COSTS

KHRC will review the development costs according to the criteria below.

VERTICAL CONSTRUCTION

KHRC will review vertical construction line items. Vertical includes hard construction costs, general requirements, builder's overhead, builder's profit, building permit fee, and construction contingency.

KHRC will review based on public input, recently submitted cost certifications, and third-party data. KHRC will consider higher costs for the following proposals:

- detached single family houses;
- within a central business district;
- public housing redevelopment; or
- four or more stories using steel and concrete.

If KHRC staff determines the costs submitted are either excessive or deficient, KHRC may adjust the amount of LIHTC awarded to the development.

OTHER COSTS

Applicants will propose costs for the non-vertical components. KHRC will determine the appropriate amount for each based on:

- comparisons with other applications,
- recently submitted cost certifications,
- input from third parties, and
- staff's professional judgment.

Maximum contingency is 7.5% of new construction hard cost line-items.

D. KHRC HOME AND NHTF LOANS

HOME and NHTF designated units should be floating. In a development with multiple unit sizes or configurations, the HOME or NHTF units shall be a representative mix of those sizes and features. HOME funds will be subject to repayment terms. KHRC may determine funds awarded as 'CHDO Set-Aside' will be deferred.

VIII. POST-AWARD AND COMPLIANCE

Unless otherwise indicated, the criteria in QAP Section VIII apply to all properties, including those with 4% LIHTCs and Bonds.

A. CHANGES

At any time between award and issuance of IRS Form 8609, owners must have written approval from KHRC prior to:

- changing the anticipated or final funding amount or terms, including equity;
- increasing the anticipated or final uses by more than 2%;
- altering the designs approved by KHRC at full application;
- increasing rents for new construction low-income units;
- increasing rents for rehabilitated low-income units above existing rents at time of award (rents shown in the approved application can be instituted once rehabilitation is complete);
- any other change to the awarded application.

At any time between award and issuance of IRS Form 8609, owners must inform KHRC prior to:

- starting construction, including sitework after the preconstruction meeting has been held;
- occupying units.

Failure to comply may result in a fine of up to \$25,000, revocation of the reservation or allocation, future disqualification of any Principal involved, and/or any other legally available recourse.

B. DOCUMENTATION

KHRC's forms and agreements will implement federal mandates, QAP requirements, and representations made in the application.

1. BONDS AND 4% LIHTC

KHRC will issue a "42(m)" letter stating the estimated amount of 4% LIHTCs.

2. 9% LIHTC

FORWARD COMMITMENT

Awards will be forward commitments of LIHTCs KHRC anticipates will be available in 2023.

CARRYOVER ALLOCATION AND 10% TEST

The ownership entity must have control of the real estate, in the form of a recorded deed or a long-term lease, before executing the carryover allocation agreement. KHRC may waive this requirement if it has been awarded HOME funds.

KHRC may make additional requirements prior to granting a carryover allocation including but not limited to:

- evidence of construction loan closing;
- owner certification that construction or rehabilitation has started; and/or
- owner certification of all sources of financing.

RESYNDICATIONS

Developments that involved resyndication of LIHTCs will be required to submit a Change of Ownership and Management forms to the Compliance Division prior to Declaration of Land Use Restrictive Covenants issuance. Owners and property managers must adhere to compliance requirements from the previous allocation until the new credit period begins.

3. DECLARATION OF LAND USE RESTRICTIVE COVENANTS

The ownership entity must sign and record a Declaration of Land Use Restrictive Covenants which will incorporate:

- federal law,
- applicable QAP requirements,
- representations made in the application, and
- an agreement to not request a qualified contract under IRC Section 42(h)(6)(E).

4. COST CERTIFICATION AND FORM 8609

To obtain Form(s) 8609, owners must provide KHRC with the following:

- a copy of the recorded title in first position to the real estate of the property in the name of the entity that will appear as the owner on the IRS Form 8609;
- recorded mortgage for permanent financing;
- complete copies of Limited Partnership or Limited Liability Company documents showing ownership entity and terms of investment;
- owner certification of all sources of financing (KHRC Form);
- owner certification of total development cost, qualified basis for LIHTCs and placed-in-service date (KHRC Form);
- itemized contractor general requirements, certified by owner;
- at KHRC's discretion, a legal opinion certifying that each building has been placed-in-service and that the development is in compliance with the IRC, and acquisition credit requirements (if applicable);
- a Certificate of Occupancy issued by the local governing body for each building or by the architect if the jurisdiction does not issue;
- an opinion by a Certified Public Accountant regarding the development's eligibility for LIHTCs;
- a Land Use Restriction Covenant executed by the owner and KHRC, and recorded at the Register of Deeds in the county where the property is located as a first lien on the property;
- an energy audit conducted by a KHRC certified home energy rater;
- Certification of Rents and Basis (KHRC form); and
- currently dated Certificates of Good Standing issued by the Kansas Secretary of State for the ownership entity and the general partner or managing member entity that are within sixty days of submittal to KHRC.

BINs are only assigned to separate buildings, including an apartment building, a single family dwelling, a townhouse, a duplex or a condominium.

5. HOME/NHTF AGREEMENTS

Developments with HOME and/or NHTF funds may require the following documentation:

- written Agreement;
- utility allowance utilizing an approved method for the HOME program;
- mortgage;
- assignment of Rents and Leases;
- completion Guaranty;
- Performance and Repayment Guaranty;
- Environmental Indemnity, and
- Promissory Note.

UTILITY ALLOWANCES

Allowable utility costs shall include all utilities paid by the tenant directly to a utility provider, excluding telephone, internet, and cable television. A separate estimate is computed for each utility and while the IRC §42 allows for different methods to compute individual utility allowances, KHRC does not.

C. COMPLIANCE MONITORING

Ownership entities and property management companies must use KHRC's Compliance Policy and Procedures Manual.

The ownership entity will:

- allow KHRC and/or its designee to audit any property during the compliance period (includes a physical inspection and review of records);
- submit the Annual Owner's Certification of Continued Program Compliance along with other annual reporting requirements by March 15th of each year;
- be a user on the Procorem Compliance work center;
- enter and validate tenant data in the Procorem software system;
- submit required state forms prior to changes in management companies and/or ownership; and
- attend compliance seminars if cited for noncompliance.

APPENDIX A: ARTICLE 10 CRITERIA

K.A.R. 110-10-1 mandates the categories and points listed below. KHRC will implement each with the stated selection criteria. Applications will not earn partial points in a category.

Category	Points	Selection Criteria
Project Location	50	The application specifically documents the exact real estate to be developed, including any necessary easements.
Housing Needs	45	KHRC determines the resulting property, as proposed, would respond to the needs of area low-income households.
Project Characteristics	80	For rehabilitation, the application proposes physical improvements in all units and common areas. For new construction, the resulting property would comply with applicable federal, state, and local building requirements.
Sponsor Characteristics	10	The applicant is in good standing with KHRC.
Special Needs	75	The application demonstrates compliance with the prohibition against discrimination based on familial status by being either open occupancy or qualifying for a senior housing exemption.
Public Housing Waitlist	5	The applicant formally agrees to comply with QAP Section VI(A)(g).
Market Study	45	The market study documents sufficient demand for the development as proposed.
TOTAL	310	

APPENDIX B: HOME AND NHTF

Regulations and guidance can be found online at www.hudexchange.info under the 'Programs' tab; in the Code of Federal Regulations at 24 CFR Parts 92 (HOME) and 93 (NHTF); or by contacting KHRC prior to submitting an application. Requirements include but are not limited to:

- a restrictive use period during which compliance with rent and income limits must be maintained;
- limits on eligible project costs;
- environmental requirements, which may include a Request for Release of Funds from HUD;
- HUD Lead Based Paint requirements for buildings constructed prior to 1978;
- tenant protection and selection requirements;
- verification that no parties (including contractors and subcontractors) are suspended or debarred from receiving Federal funds;
- displacement, relocation and acquisition requirement, include the URA;
- Section 3, MBE/WBE requirements;
- possible Davis Bacon wage requirements (HOME only);
- federal non-discrimination requirements, Fair Housing and VAWA compliance, and;
- property standards, including ongoing inspections throughout the affordability period.

KHRC will not commit HOME funds to a development until HUD has approved the Request for Release of Funds (RROF). The applicant must avoid taking a Choice Limiting Action at the project site.

HOME funds for rental developments not involving LIHTCs will be awarded through a separate process. Award for such activities may impact the amount of HOME funds available for LIHTC developments.

HOME and NHTF designated units will be floating, except in projects where it is not feasible to construct units that are comparable in size and features (e.g. historic rehab, adaptive reuse, etc.). In such cases, units may be fixed, but the size, configuration and features must be comparable to or better than an average unit with the same number of bedrooms. An architect's evaluation justifying the need for fixed units must accompany the application for funding. Other exceptions will be subject to KHRC's review of clear and compelling reasons.

In order to qualify as a CHDO application, the proposed project must:

- meet the nonprofit application requirements,
- as of the full application deadline, the applicant, any Principal, or any affiliate must not undertake any choice-limiting activity prior to successful completion of the HUD environmental clearance review, and
- the project and owner must comply with regulations regarding the federal CHDO set-aside, including LIHTC developments with a CHDO as the sole managing member or general partner.

APPENDIX C: DESIGN REQUIREMENTS



ACCESSIBILITY, ARCHITECTURAL PROCEDURES & MINIMUM DEVELOPMENT STANDARDS FOR RESIDENTIAL CONSTRUCTION

ACCESSIBILITY AND DESIGN QUALITY STANDARDS AND REQUIREMENTS

The terms of this Appendix C are the minimum requirements for any project awarded low-income housingtax credits. Required documents must be prepared by an engineer or architect licensed to do business in Kansas.

At all times after award the owner is responsible for promptly informing the KHRC of any changes oralterations which deviate from the final plans and specifications approved by the Agency at award. In particular, owners must not take action on any material change in the site layout, floor plan, elevations or amenities without written authorization from the Agency. This includes changes required by local governments to receive building permits.

BUILDING CODE

The Project must be constructed in compliance with all applicable State and local zoning, land use, and building code requirements. The Project's plans and specifications must clearly list all building codes applicable to the Project, including without limitations electrical, mechanical, plumbing, and fire codes.

Additionally, the Project must be constructed to meet or exceed any applicable State Building Codes in force at the time of construction.

In the absence of State or local building codes, construction must meet the requirements of the current International Residential Code or the International Building Code, as applicable.

I. DESIGN DOCUMENT STANDARDS

A. PRELIMINARY APPLICATION PLAN REQUIREMENTS

Plans must be in PDF format for uploading into the application system and indicate the following:

1. Provide site location, total number of buildings in project, total number of units, and style of building.
2. Provide external rendering or sketch of proposed development.
3. Rehabilitation proposals must also submit a preliminary scope of work.

B. FULL APPLICATION PLAN REQUIREMENTS

Site and floor plans must be in PDF format for uploading into the application system and indicate the following:

1. Provide dimensioned site and floor plans.
2. Location of, and any proposed changes to, existing buildings, roadways, and parking areas. Parking spaces must be clearly depicted.
3. All existing site and zoning restrictions including setbacks, right of ways, boundary lines, wetlands and any flood plains.
4. Existing topography of site and any proposed changes including retaining walls.
5. Front, rear and side elevations of **ALL** building types and identify all materials to be used on building exteriors.
6. Locations of site features such as playground(s), gazebos, walking trails, refuse collection areas, postal facilities, and site entrance signage.
7. The location of units, common use areas and other spaces.
8. For projects involving renovation and/or demolition of existing structures, proposed changes to building components and design and also describe removal and new construction methods. Provide Physical Needs Assessment (PNA).

C. PHYSICAL NEEDS ASSESSMENT

KHRC requires a detailed Physical Needs Assessment (PNA) for proposed multifamily rehabilitation projects. The PNA is an evaluation of a property in terms of existing physical condition, future physical needs, and the estimated timeline and cost of the replacement of systems and components. The PNA must identify deferred maintenance, physical needs, remaining useful life of key components, building material deficiencies, and material building code violations that affect the property's use, structure and mechanical integrity, and the future physical and financial needs. KHRC will examine the results of the PNA with respect to the scope of the rehabilitation proposal and the construction cost budget. Abbreviated PNA reports are allowed on small developments.

The PNA should include a narrative description of the development, photographs of typical building characteristics and deficiencies, the developer's proposed extraordinary property improvements that may affect the project's future marketability, and a property inspection and evaluation section.

The property inspection and evaluation section should further examine and analyze the following:

- site, including topography, drainage, pavement, curbing, sidewalks, parking, landscaping, amenities, water, sewer, storm drainage, and gas and electric utilities and lines;
- structural systems, both substructure and superstructure, including exterior walls and balconies, exterior doors and windows, roofing system, and drainage;
- interiors, including unit and common area finishes (carpeting, tile, plaster walls, paint condition, etc.), unit kitchen finishes, cabinets and appliances, unit bathroom finishes and fixtures, and common area lobbies and corridors;
- mechanical systems, including plumbing and domestic hot water, HVAC, electrical, lighting fixtures, fire protection, and elevators;

- potential improvements to energy efficiency, including higher-rated HVAC equipment, specification of energy efficient windows and doors, minimum insulation standards, appliance upgrades, lighting improvements, and enhanced ventilation;
- strategies for conservation of resources during rehabilitation, including use of durable and low maintenance building materials, water-conserving plumbing fixtures and appliances, and drought tolerant and low-maintenance landscaping; and
- any non-compliant component or issue relative to the applicable accessibility code or guidelines.

If any elements are not expected to last through the restricted use period, those elements must be clearly identified, and the operating budget must include adequate reserves for replacement to address those needs when they arise. At completion, all elements must meet or exceed the property condition standards used by KHRC for ongoing property inspections (currently UPCS).

II. BUILDING AND UNIT DESIGN PROVISIONS

A. ACCESSIBILITY GUIDELINES

ACCESSIBILITY CERTIFICATION

Architects, developers, general contractors, and job superintendents must provide KHRC with certifications of training and education within the past two years on Fair Housing, ADA, American National Standards Institute (ANSI) and UFAS design and construction requirements. General Contractors and job superintendents may submit the certification after the development is approved but before construction is commenced. The certification must state that the training session was a least four hours in length, included all major areas of housing construction, and was attended in its entirety by the person being certified. The session can be done online.

MINIMUM ACCESSIBILITY REQUIREMENT:

All newly constructed developments must have at least 5% percent of the dwelling units, or at least one unit, whichever is greater, to be accessible for persons with mobility disabilities, regardless of funding source. These units must be constructed in accordance with the Uniform Federal Accessibility Standards (UFAS) or a standard that is equivalent or stricter. An additional 2% percent of the dwelling units, or at least one unit, whichever is greater, must be accessible for persons with hearing or visual disabilities.

ACCESSIBILITY GUIDELINES

Rental housing properties developed with the assistance of funding from Kansas Housing Resources Corporation (KHRC), including but not limited to the Low Income Housing Tax Credit (LIHTC), Home Investment Partnerships (HOME) and National Housing Trust Fund (HTF) must be designed and constructed in accordance with applicable Federal and State requirements for accessibility by persons with disabilities.

NEW CONSTRUCTION

ADA – AMERICANS WITH DISABILITIES ACT

All publicly accessible areas (leasing offices, common areas open to the public, parking areas, outdoor common areas, etc.) must meet the accessibility requirements of the Americans with Disabilities Act (ADA). ADA design requirements do not apply to residential units. ADA applies to public accommodations, i.e., to any spaces which are available for public use.

FAIR HOUSING ACT

All buildings with four or more units must comply with the Fair Housing Act and Fair Housing Design Standards, regardless of the source of funding. Covers all multifamily *buildings* of four or more units regardless of funding sources. Applies to ground floor units, or all units in an elevator building

KSA 58 - ARTICLE 14 - KANSAS STATUTES AT K.S.A. CHAPTER 58-1401, ET SEQ.

Covers all buildings of one, two or three units (single family, duplex, triplex) with State or Federal funding from KHRC. KHRC extends the same design requirements to LIHTC developments regardless of other State or Federal funding.

SECTION 504 – (UNIFORM FEDERAL ACCESSIBILITY STANDARD (UFAS) – SECTION 504 OF THE REHABILITATION ACT OF 1973

All developments with five or more units which receive Federal assistance in the development (e.g., HOME and/or HTF) must comply with the accessibility requirements in Section 504 of the Rehabilitation Act of 1973, including a minimum of 5% of the total units being designed and constructed to meet Uniform Federal Accessibility Standards (UFAS). Additionally, a minimum of 2% of the units must have equipment for hearing or visually impaired.

REHABILITATION PROJECTS

ADA – AMERICANS WITH DISABILITIES ACT

Applies to all public space at property no matter if new construction or rehab.

FAIR HOUSING ACT

Does not apply if property was designed and constructed for first occupancy on or before March 13th 1991. If significant renovations are made to a property all reasonable attempts should be made to make units accessible.

KSA 58 - ARTICLE 14

KSA 58 – Article 14 will not apply if a dwelling the design or construction of which commenced prior to July 1, 2002, as evidenced by (1) a payment for such design or construction, (2) a contract for such design or construction or (3) or other proof sufficient to the director as prescribed by rules and regulations.

SECTION 504 – (UNIFORM FEDERAL ACCESSIBILITY STANDARD (UFAS))

Under Section 504, alterations are substantial if they are undertaken to a project that has 15 or more units and the cost of the alterations is 75% or more of the replacement cost of the completed facility. (See 24 C.F.R. § 8.23(a)). The new construction provisions of 24 C.F.R. § 8.22 apply. Section 8.22 requires that a minimum of 5% of the dwelling units, or at least one unit, whichever is greater, shall be made accessible to persons with mobility disabilities and an additional 2% of the dwelling units, or at least one unit, whichever is greater, shall be made accessible to persons with hearing or visual disabilities.

If the project involves fewer than 15 units or the cost of alterations is less than 75% of the replacement cost of the completed facility and the recipient has not made 5% of its units in the development accessible to and usable by individuals with disabilities, then the requirements of 24 C.F.R. § 8.23(b) – Other Alterations apply. Under this section, alterations to dwelling units shall, to the maximum extent feasible, be made readily accessible to and usable by individuals with disabilities. If alterations to single elements or spaces of a dwelling unit, when considered together, amount to an alteration of a dwelling unit, the entire unit shall be made accessible.

Alteration of an entire unit is considered to be when at least all of the following individual elements are replaced:

- renovation of whole kitchens, or at least replacement of kitchen cabinets; and
- renovation of the bathroom, if at least bathtub or shower is replaced or added, or a toilet and flooring is replaced; and
- replacement of entrance door jambs.

When the entire unit is not being altered, 100% of the single elements being altered must be made accessible until 5% of the units in the development are accessible. However, KHRC follows HUD guidance in strongly encouraging a developer to make 5% of the units in a development readily accessible to and usable by individuals with mobility disabilities, since that will avoid the necessity of making every element altered accessible, which often may result in having partially accessible units which may be of little or no value for persons with mobility impairments. It is also more likely that the cost of making 5% of the units accessible up front will be less than making each and every element altered accessible. Alterations must meet the applicable sections of the UFAS which govern alterations.

B. EXTERIOR DESIGN AND MATERIALS

1. Building design must use different roof planes and contours to break up roof lines. If horizontal banding is used between floor levels, use separate color tones for upper and lower levels. If possible, use horizontal and vertical siding applications to add detail to dormers, gables, and extended front facade areas.
2. The use of no or very low maintenance materials is required for exterior building coverings on all new construction projects. These include high quality vinyl siding, brick, or fiber cement siding. The use of metal siding is prohibited. Vinyl siding must have a .042 inch thickness or greater and a limited lifetime warranty. Where band boards attach to and are part of the vinyl siding application, metal z-flashing must be installed behind, on top of, and below bands.

3. All exterior trim, including fascia and soffits, window and door trim, gable vents, etc. must also be constructed of no or very low maintenance materials.
4. All buildings must include seamless gutters and aluminum drip edge on all gable rakes and fasciaboards. Downspouts must be installed so as not to drain across pedestrian path of travel.
5. Breezeway and stairwell ceilings must be constructed of materials rated for exterior exposure.
6. Buildings and units must be identified using clearly visible signage and numbers. Building and unit identification signage must be well lit from dusk till dawn and meet ANSI A117.1, Section 703 standards.
7. Exterior railings should be made of vinyl, aluminum or steel.
8. Anti-fungal dimensional (architectural) shingles with a minimum 30-year warranty are required for all shingle roof applications.
9. In vinyl siding applications all exterior penetrations must be installed in plastic J-boxes.
10. Weep holes must be below finished slab elevation and not covered with sod, mulch, finished grade or landscaping.

C. DOORS AND WINDOWS

1. All primary unit entries must either be within a breezeway or have a minimum roof covering of 3 feet deep by 5 feet wide, including a corresponding porch or concrete pad.
2. High durability, insulated doors (such as steel and fiberglass) are required at all exterior locations. Single lever deadbolts required on accessible units and eye viewers are required on all main entry doors to residential units.
3. Insulated, double pane, vinyl windows meeting 2018 IECC are required for new construction and rehabilitation projects (if replacing windows).

D. INTERIOR DESIGN AND MATERIALS

1. All residential units must meet minimum unit size requirements. The square footage measurements below will be for conditioned square feet only, measured interior wall to interior wall, and do not include exterior wall square footage. Unheated areas such as patios, decks, porches, stoops, or storage rooms cannot be included.

Single Room Occupancy (SRO)	250
square feet Studio	375 square
feet	
Efficiency	450 square feet
1 Bedroom	660 square feet
2 Bedroom	900 square feet
3 Bedroom	1,100 square feet
4 Bedroom	1,250 square feet
2. Newly constructed residential units must have an interior or exterior storage closet (Interior common area only for congregate) with a minimum of 16 unobstructed square feet. The square footage utilized by a water heater in a storage closet may not be included in the 16 square foot calculation. Storage closets may not have any dimension smaller than 36 inches in width or depth. Interior closet must not be in a bedroom or a kitchen. Units with an associated garage are not required to have the additional storage closet.

3. Kitchens, dining areas, and entrance areas must have vinyl, VCT or other non-carpet flooring.
4. For new construction, interior doors must be constructed of two, four or six panel hardboard, solid core birch or solid core lauan. Hollow core, flat-panel doors are prohibited.
5. Residential floors and common tenant walls must have sound insulation batts.
6. All interior and exterior mechanical and storage closets must have finished floor coverings. Interior closets must have either carpet, sheet vinyl or VCT flooring. Exterior storage closets may have sealed, painted concrete floors.
7. The following areas must contain moisture resistant drywall: ceilings and walls of bathrooms, laundry rooms, mechanical closets, exterior storage closets, and behind kitchen sink base.
8. Shoe molding must be installed in areas where glue-down or laminate flooring is installed.
9. All interior common areas, hallways, and enclosed corridors must be served by heating and cooling systems.

E. BATHROOMS

1. All bathrooms must include an exhaust fan vented to the exterior of the building using hard ductwork along the shortest run possible. (See 2018 IECC)
2. All domestic water line cut off valves must have metal handles, not plastic.
3. In all accessible units, the grab bars must be installed per applicable accessibility specifications around toilets and in the tubs/showers. In roll-in showers the shower head with wand must be installed on a sliding bar and within code required reach ranges by the seat. An additional diverter must be installed to provide water to a shower head on the short shower wall in front of the seat, mounted 80 inches above finished floor.

F. KITCHENS

1. New cabinets must include dual side tracks on drawers. Door fronts, styles, and drawer fronts must be made with solid wood or wood/plastic veneer products. Particle board or hardboard doors, stiles, and drawer fronts are prohibited.
2. The minimum aisle width between cabinets and/or appliances is 42 inches.
3. All residential units must have a double bowl kitchen sink.
4. In accessible units:
 - follow applicable accessibility guidelines and
 - both the range hood fan and light must have separate remote switches.
5. In accessible units and common areas, kitchen ranges with cooktop can be no higher than 34 inches above floor.
6. Anti-tip devices must be installed on all kitchen ranges and be securely fastened to the floor. Walls behind or directly beside ranges must be covered with a splash panel. The panel should span from the range to the hood and be plastic, laminate or aluminum. Ranges must be installed to fit flush to the wall.

III. MECHANICAL, SITE AND INSULATION PROVISIONS

A. PLUMBING PROVISIONS

1. All rental units require at least one full bathroom.
2. Three bedroom units require at least 1.75 bathrooms (including one bath with upright shower and one bath with full tub).
3. Four bedroom units require at least two (2) full bathrooms.
4. All tubs and showers must have slip resistant floors. For new construction projects, tubs and showers must be one-piece and a minimum of 32 inches in width and 58 inches in length.
5. A frost-proof exterior faucet must be installed on an exterior wall of the community/office building.
6. All tub/shower control knobs must be single lever handled and offset towards the front of the tub/shower.
7. Provide lever faucet controls for the kitchen and bathroom sinks.
8. Domestic water lines are not allowed in unconditioned spaces, including breezeways and community building attics.
9. In all accessible units, tubs and showers must have wood blocking installed on the bathing fixture.
10. In all Type A units, the toilets, tubs, and showers must have grab bars installed. See ANSI A117.1 for mounting heights and locations. The grab bar installed behind the toilet must be a minimum of 36 inches in length.
11. All plumbing pipes must be installed inside wall cavities. Connections to water and sewer lines may not be made through floors or cabinet bottoms.
12. Unit water shut-off valves must be located in a reachable location to the resident and be clearly marked with signage.

B. ELECTRICAL PROVISIONS

1. Any walk-in closets must also have a switched overhead light. A walk in closet is defined as any closet deeper than 36 inches from the back wall to the back of the closet door in the closed position.
2. Switched exterior lighting is required at each unit entry door.
3. Projects with gas heating and/or appliances must provide a hard-wired carbon monoxide detector with a battery back-up in each residential unit.
4. All non-residential and residential spaces must have separate electrical systems.
5. Initially-installed bulbs in residential units and common areas must be compact fluorescent, LED or pin-based lighting in 80% of all fixtures.

C. HEATING, VENTILATING AND AIR CONDITIONING PROVISIONS

1. All non-residential areas and residential units must have their own separate heating and airconditioning systems.
2. Through the wall HVAC units are prohibited in all but Studio, Efficiency, and SRO units. They are allowed in laundry rooms and management offices where provided.
3. Heating and cooling sizing and efficiency ratings should follow the 2018 IECC. (R403.7). Heating and cooling equipment shall be sized in accordance with ACCA Manual S based on building loads calculated in accordance with ACCA Manual J or other approved heating and cooling calculation methodologies. New or replacement heating and cooling equipment shall have an efficiency rating equal to or greater than the minimum required by federal law for the geographic location where the equipment is installed.
4. The use of duct board is prohibited. Galvanized metal must be used for plenums and mixing boxes.
5. Connections in duct system must be sealed with mastic and fiberglass mesh.
6. All openings in duct work at registers and grilles must be covered after installation to keep out debris during construction.
7. Range hoods and micro-hoods must be vented to the exterior of the building with galvanized sheet metal using the shortest possible run.
8. Exterior exhaust vents must be mechanically secured to siding and/or brick veneers.
9. Total dryer vent run may not exceed 35 feet, including deductions for elbows.

D. SITEWORK AND LANDSCAPING

1. Provide positive drainage at all driveways, parking areas, ramps, walkways and dumpster pads to prevent standing water.
2. No sidewalks may exceed a 2% cross slope regardless of where located. Provide a non-skid finish to all walkways.
3. All water from roof and gutter system must be piped away from buildings.
4. Lots must be graded so as to drain surface water away from foundation walls.
5. Minimum landscaping budgets of \$300 per residential unit are required unless specific site characteristics make this infeasible (e.g. an urban tower building with no green space). This allowance is for permanent plantings and trees only and may not be used for fine grading, seeding and straw or sod.
6. Sitework changes after application award are not permitted without Agency approval.

E. RADON VENTILATION

Passive, "stack effect" radon ventilation systems are required for all new construction. These systems reduce soil gas entry into the buildings by venting the gases to the outdoors and must include the following components.

1. Gas Permeable Layer of Aggregate: This layer is placed beneath the slab or flooring system to allow the soil gas to move freely underneath the house and enter an exhaust pipe. In many cases, the material used is a 4-inch layer of clean gravel.
2. Plastic Sheeting/Soil Gas Retarder: This is the primary soil gas barrier and serves to support any cracks that may form after the basement slab is cured. The retarder is usually made of 6 mil polyethylene sheeting, overlapped 12 inches at the seams, fitted closely around all pipe, wire, or other penetrations, and placed over the gas permeable layer of aggregate.
3. PVC Vent Pipe: A straight (no elbows) vertical PVC vent pipe of 3-inch diameter must be connected to a vent pipe "T" which is installed below the slab in the aggregate. The straight vent pipe runs from the gas permeable layer (where the "T" is) through the apartment to the roof to safely vent radon and other soil gases above the roof. A 12-inch perforated PVC pipe must be attached to the "T" on both ends in the aggregate to allow radon gas to easily enter the piping. The straight vent pipe runs vertically through the building and terminates at least 12 inches above the roof's surface in a location at least 10 feet from windows or other openings and adjoining or adjacent buildings. On each floor of the apartment, the pipe should be labeled as a "Radon Reduction System". Sealing and caulking with polyurethane or silicone on all openings in the concrete foundation floor must be used. The system must have provisions for later installation of an inline fan for mechanical ventilation of gases, including an electrical box in the attic in proximity to the exit pipe.

Check applicable federal, state, and local building codes to see if more stringent codes apply.

IV. ENERGY EFFICIENCY

New construction developments must demonstrate compliance with the 2018 International Energy Conservation Code.

Chapter 4 of the 2018 International Energy Conservation Code provides requirements for the thermal envelope of a building, including minimum insulation values for walls, ceilings and floors, maximum fenestration U-factors; minimum fenestration solar heat gain coefficients; and methods for determining building assembly and a total U-factor. A performance alternative, and an energy rating alternative are also provided to allow for energy code compliance other than the prescriptive method.

Prior to the start of construction, the plans of each new development, rehabilitation or conversion an energy auditor/rater must be designated. The designated energy auditor will review and approve the planned construction, as per design and specifications, ensuring it meets or exceeds the above stated standards. The auditor will provide all appropriate inspections during the build process to ensure project meets standards. Upon completion, a final energy audit should be completed to verify that actual construction or rehabilitation meets the appropriate standards. Prior to enclosing unit walls, the energy rater must be notified and an inspection completed to insure proper insulation and duct sealing.

Upon completion, a final energy audit shall be completed to verify that actual construction or rehabilitation meets the appropriate standards. 20% (minimum of 4) of the total units will be rated. The sampling should include one unit from each building and each different floor plan. The sampling should also include a variation of interior and exterior units in a multi-plex building. A random sampling of 20% (minimum of 4) is required for projects containing single family and duplex units.

V. BROADBAND INFRASTRUCTURE

All new construction must provide for broadband infrastructure. Any substantial rehabilitation, as defined in 24 CFR 5.100, must provide for installation of broadband infrastructure, as this term is also defined in 24 CFR 5.100, except where the participating jurisdiction determines and, in accordance with § 92.508(a)(3)(iv), documents the determination that:

- (A) The location of the substantial rehabilitation makes installation of broadband infrastructure infeasible;
- (B) The cost of installing broadband infrastructure would result in a fundamental alteration in the nature of its program or activity or in an undue financial burden; or
- (C) The structure of the housing to be substantially rehabilitated makes installation of broadband infrastructure infeasible.

VI. FOOTING/SLAB INSULATION

All buildings must insulate the footing, install vapor barrier under the slabs, and use Tyvek or other suitable house wrap on the exterior. However, if a building can meet or exceed the 2018 IECC or be certified as Energy Star the footing insulation is not required. In addition, footing insulation with visible gaps or bulges at the seams and corners will disqualify the insulation as a value in the building audit.

VII. COMMON AREA AND SITE AMENITY PROVISIONS

All common use areas must be fully accessible to those with disabilities in compliance with all applicable State and Federal laws and regulations.

A. PLAYGROUND AREAS

1. Wherever possible tot lots and playgrounds must be located away from areas of frequent automobile traffic and situated so that the play area is visible from the office and maximum number of residential units.
2. A bench must be provided at playgrounds to allow a child's supervisor to sit. The bench must be anchored permanently, weather resistant and have a back.

B. POSTAL FACILITIES

1. Postal facilities must be located adjacent to available parking and sited such that tenants will not obstruct traffic while collecting mail.
2. Postal facilities must have adequate lighting functioning from dusk to dawn.
3. Mailboxes must follow applicable accessibility guidelines.

C. LAUNDRY FACILITIES

1. Laundry facilities are required for all projects.
2. There must be a minimum of one washer and one dryer per twelve (12) residential units if washer/dryer hookups are not available in each unit. If hookups are available in each unit, there must be a minimum of one washer and one dryer per twenty-five (25) units.
3. A "folding" table or countertop must be installed. The working surface must be 30 to 34 inches above the floor, and must have a 27-inch high clear knee space below. The working surface must be a minimum 48 inches long, and have a 30 by 48 inch clear floor space around it.
4. The primary entrance door to the laundry must be of solid construction and include a full height tempered glass panel to allow residents a view of the outside/inside.
5. The laundry room must be positioned on the site to allow for a high level of visibility from residential units or the community building/office.
6. The laundry room must have adequate entrance lighting functioning from dusk to dawn.
7. If the project has only one laundry facility, it must be adjacent to the community building/office (if provided) to allow easy access and provide a handicap parking space(s).
8. One washer and one dryer must be front loading and usable by residents with mobility impairments (front loading), including at least a 30 by 48 inch clear floor space in front of each

D. COMMUNITY / OFFICE SPACES

1. All projects must have an office on site of at least 200 square feet (inclusive of handicapped toilet facility) and a maintenance room of at least 150 square feet. This includes subsequent phases of a multi-phase development.
2. If provided, the community building/space must contain both a handicapped toilet facility and a kitchen area that includes a refrigerator and sink.
3. The office must be situated as to allow the site manager a prominent view of the residential units, playground, entrances/exits, and vehicular traffic.
4. The office must be clearly marked as such by exterior signage, placed at a visible location close to the building. The signage must use contrasting colors and large letters and numbers.
5. Office space requirement may be waived on a case-by-case basis. Examples might include a residential development with single family homes or duplexes, a scattered site project, an existing management office within reasonable driving distance. Exemption must be approved by KHRC.

E. PARKING

1. Family projects require a minimum of one parking spaces per unit.
2. Senior projects require a minimum of one parking space per unit.
3. If local guidelines mandate parking to less than the Agency requires or if the site limits parking to less than the Agency requires, the number of parking spaces required by the Agency may be reduced upon receiving Agency approval prior to the preliminary application deadline. If the local parking requirements are not known until zoning approval, the Applicant must seek Agency approval prior to the full application deadline.
4. There must be at least one handicap parking space for each designated accessible unit and must be the nearest available parking space to the unit. All handicap parking spaces and associated aisles must be concrete.
5. Handicap ramps may not protrude into parking lot. Handicap parking spaces and access aisles may not exceed 2% slope in any direction. Access aisles cannot be installed through vehicular paths of travel.

F. REFUSE COLLECTION AREAS

1. Fencing consistent with the appearance of the residential buildings must screen the collection area.
2. The pad for the refuse collection area, including the approach area, must be concrete (not asphalt). The approach area must be a minimum 18 feet in length.
3. The refuse collection area(s) may not be at the entrances or exits of the project and should be reasonably located amongst all buildings.

VIII. ADDITIONAL PROVISIONS FOR

REHABILITATION OF EXISTING HOUSING

The following requirements apply to rehabilitation of existing units:

- Design documents must show all proposed changes to existing and proposed buildings, parking, utilities, and landscaping. An architect or engineer must prepare the design drawings.
- Any replacement of existing materials or components must comply with the design standards for new construction.
- Upon completion the rehabilitation must be able to pass a Uniform Physical Condition Standards (UPCS) inspection.
- If HOME/NHTF monies are in the project, required reserves must be established to accommodate future repairs.
- Lead Based Paint Mitigation
 - For property acquisition and rehabilitation, any work on structures constructed prior to 1978 must comply with the Kansas Residential Childhood Lead Poisoning Prevention Act (K.S.A. 65-1, 201– 213) and Kansas Department of Health and Environment regulations concerning the evaluation and control of Lead-based Paint Hazards and the Pre-Renovation Rule (K.A.R. 28-72-01 through 28-72- 54) as applicable. Compliance with Department of Housing and Urban Development (HUD) Guidelines for the Evaluation and Control of Lead-based Paint Hazards, Environmental Protection Administration (EPA) Requirements for Lead-based Paint Activities; 40 CFR Part 745, and Occupational Safety and Health Act (OSHA) regulations on lead 29 CFR 1910.1025 shall apply as required. Rehabilitation projects with Federal (HOME or HTF) funds must comply with the requirements of 24 CFR Part 35, Subpart J. Abatement may be required, depending on the per-unit rehabilitation assistance as defined in that regulation.
- Demonstrate replacement reserve is adequate to maintain and replace any existing systems and conditions not being replaced or addressed during rehabilitation.

IX. PRECONSTRUCTION AND CONSTRUCTION PERIOD REQUIREMENTS

A. SIGNAGE

Job/Development site sign must be displayed at the start of construction at the main/most trafficked entrance. For company logo, contact KHRC for JPEG/TIFF version of the KHRC logo.

B. PRECONSTRUCTION MEETING

A pre-development conference with KHRC is required prior to the start of construction. The developer, architect and general contractor are required to attend this meeting. At that time, the expectations of KHRC, including a review of accessibility standards, will be discussed.

C. CONSTRUCTION STATUS UPDATES

Provide at least two monthly progress photos. Prior to construction, provide KHRC with a Construction Status Update form once monthly. Once construction has started, projects must provide KHRC a copy of the architect's monthly AIA draw reports.

D. FINAL INSPECTION

KHRC shall be notified two weeks in advance of the final inspection. This inspection may be scheduled concurrent with the Inspecting Architect's Punch List Inspection(s), provided that inspection occurs when the work is substantially complete. If the inspection is not scheduled concurrently with the Inspecting Architect's inspection, the Inspecting Architect's Punch List must be available to KHRC staff.

Provide the final —incomplete item's list to the KHRC staff. The final inspection will determine the amount withheld from the final construction draw, which will be held in an incomplete construction escrow account. The results of the final inspection shall be provided to KHRC.

APPENDIX D: QUALIFIED ESTABLISHMENTS

The following establishments qualify as a Grocery:

Albertsons	Fresh Air Galaxy	Just \$ave	Save-A-Lot
Aldi	Food Lion	Dillons/Kroger	Sprouts
Apple Market	The Fresh Market	Lowes Foods	Super Target
Bi-Lo	Giant Food Stores	Market Basket	SuperValu
Bo's Food Stores	Harris Teeter	Meijer	Trader Joe's
Bloom	H-E-B	Natural Grocers	Walmart Express
Compare Foods	Hen House	Price Chopper	Walmart Neighborhood Market
Checkers	HyVee	Publix	Walmart Supercenter
Earth Fare	IGA	Ray's Food Place	Whole Foods
Fairway Market	Ingle's Market	Red & White	
Family Foods	Jerry's Thriftway	Sav-Mor	

The following establishments qualify as Shopping:

Big Lot's	Kmart	Walmart
Dollar General	Maxway	Walmart Express
Dollar Tree	Roses'	Walmart Supercenter
Family Dollar	Target	
Fred's Super Dollar	Super Target	

To qualify as a pharmacy, the establishment must have non-medical general merchandise items for sale (not including pharmacies within hospitals). If the pharmacy is located within a grocery or shopping establishment, that should be detailed in the application. KHRC will not assume a pharmacy is located inside a grocery or shopping center.