

~~2025~~2026

# Qualified Allocation Plan

Adopted on ~~October 17, 2024~~<sup>\*\*\*</sup> 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](#).

Among KHRC's most important resources and programs for affordable housing development in Kansas is the Federal Low-Income Housing Tax Credit (LIHTC) Program. KHRC administers and serves as the allocating agency for the Federal LIHTC Program in our state. KHRC has adopted this qualified allocation plan (QAP) for ~~2025~~2026 to administer the Federal LIHTC program pursuant to Internal Revenue Code (IRC) Section 42.

In addition to the Federal LIHTC, the QAP governs the award of the following resources to LIHTC properties as those resources are available:

- The Kansas Affordable Housing Tax Credit Act (see K.S.A. 79-32,304 – 79-32,309~~X~~, as amended) (State LIHTC);
- HOME Investment Partnerships funding (HOME);
- National Housing Trust Fund (NHTF); and
- tax-exempt private activity bonds (Bonds).

~~Unless otherwise noted~~For 9% LIHTCs, the use of "LIHTC" or "LIHTCs" throughout the QAP refers to both the State and Federal LIHTC. Pursuant to certain amendments to the Kansas Affordable Housing Tax Credit Act under House Bill 2289, the State LIHTC will no longer be available to developments receiving 4% Federal LIHTCs. Consequently, for 4% LIHTCs, the use of "LIHTC" or "LIHTCs" throughout the QAP refers only to the Federal LIHTC.

### 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 4<sup>th</sup>, 2024~~August 27<sup>th</sup>, 2025.

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

- fair distribution of resources across the state;
- value of sustaining long-term partnerships;

- responsibility to low-income households;
- efficient use of state resources;
- efficient use of time for all parties
- issues raised in prior application rounds and
- selection criteria reflecting:
  - how proposals differ in consequential ways;
  - limits on incentives to make problematic choices;
  - aspects already in place or within a developer's control; and
  - importance of project location, housing needs characteristics, project and sponsor characteristics, tenant populations with special needs, public housing waiting lists, tenant populations of individuals with children, projects intended for eventual tenant ownership, the energy efficiency of the project, and the historic nature of the project, as required by IRC Section 42.

## 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. KHRC is entitled to the full discretion allowed by law in making all such decisions and interpretations under the QAP.

Further, in the event of a:

- conflict with ~~or change to~~ 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 QAP Section II apply to all applications, including those for 4% LIHTCs and Bonds.

Principals, as defined in Section V(A)(2), may have no more than five awarded applications and/or developments with KHRC that have not submitted the full cost certification packet for review at the same time. However, if KHRC is concerned with the progress or condition of any of the Principal's current developments, KHRC may not allow the maximum.

A Principal that has never been allocated LIHTCs before January 1, 2023 in the state of Kansas is only eligible to receive an award of LIHTCs for one (1) project under the QAP, and may not receive a second project until the awarded development has closed. A third application will not be awarded until a complete cost certification has been submitted to KHRC for the first awarded development.

## 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 V(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);
- maintain a general partner or managing member interest in the proposed development past project stabilization.

## 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 to collect information and documentation;
- 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.

KHRC will not accept missing documentation for items eligible for points after the identified preliminary and full due dates.

## 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 and/or KHRC's review of applications. KHRC will notify local officials of applications submitted, as required under IRC Section 42 and the Kansas Affordable Housing Tax Credit Act.

## 1. 4% LIHTCS AND BONDS

KHRC will accept applications for 4% LIHTCs and Private Activity Bonds ~~two times per year~~ on a rolling basis.

February 21, 2025	4% LIHTC Round One Preliminary and Full Application Due Date
May 23, 2025	4% LIHTC Round One Application Approval Announcement
August 15, 2025	4% LIHTC Round Two Preliminary and Full Application Due Date
November 14, 2025	4% LIHTC Round Two Application Approval Announcement

Applicants must request a Procorem Workcenter log-in prior to applying by emailing [housingdevelopment@kshousingcorp.org](mailto:housingdevelopment@kshousingcorp.org). With the exception of the application fee, all application items must be submitted through the Procorem system ~~by the end of business (5:00pm CST) on the due date.~~

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 within 60 days from when the complete application was received. An application is considered complete when all preliminary and full application materials are submitted.~~ 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 180 days for acquisition/rehabilitation or 360 days for new construction of the 4% approval, based on staff's evaluation of the progress, KHRC may require the applicant to reapply or grant an extension.~~

Applicants seeking to submit applications with both 9% and 4% LIHTCs will submit with the 9% competitive round and follow all 9% requirements.

## 2. 9% LIHTC AND HUD RESOURCES

January 10, 202516, 2026	Preliminary Application Due Date
February 21, 202527, 2026	Invitations to Submit Full Application Sent
May 23, 202515, 2026	Full Application Due Date
August 8, 2025July 31, 2026	Award Announcements

### PRELIMINARY APPLICATIONS DUE

Applicants must request a Procorem Workcenter log-in prior to applying by emailing [housingdevelopment@kshousingcorp.org](mailto:housingdevelopment@kshousingcorp.org). With the exception of the preliminary application fee, all preliminary application items must be submitted through the Procorem system by ~~the end of business (5:00pm CST)~~ noon (12:00pm CST) on the due date.



## INVITATION TO SUBMIT FULL APPLICATIONS

KHRC will evaluate the preliminary applications by:

- Scoring the new construction proposals and comparing to the preliminary point categories in the appropriate set-asides and ability to meet the threshold score of 33 points;
- Conducting a desk review of the rehabilitation proposals and the Unique Opportunity Applications;
- Reviewing for concerns with the site, development team, and/or market need.

KHRC will notify the contact person listed in the preliminary application by Procorem post on the date listed above if the preliminary application is invited to submit a full application or not.

## FULL APPLICATIONS DUE

Full applications are due in the appropriate Procorem Workcenter by the ~~end of business (5:00pm (12:00pm CST/CDT))~~ on the due date. The full application fee should be mailed to the KHRC office by the application deadline.

## AWARD ANNOUNCEMENTS

KHRC will notify the contact person listed in the full application in the Procorem Workcenter when final award determinations have been made. Award determinations ~~for both 4% and 9% LIHTCs~~ are made by KHRC's Loans and Grants Committee. All award determinations are final.

## D. KHRC HUD RESOURCES

Applicants may request HOME or NHTF funds (collectively referred to as "HUD Resources") by including those resources 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. HUD Resources are limited, and applications should request only an amount necessary for project viability. Applicants should prepare the development budget with an assumption of no more than \$1.5M in HUD resources. KHRC staff will determine if HUD Resources will be awarded and what type.

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

For LIHTC proposals, HOME funds may be available to developments with or without a CHDO as the sole managing member or sole general partner. LIHTC proposals for which the sole managing member or sole general partner qualifies as a CHDO will be awarded HOME funds in the form of low-interest, deferred loans. KHRC will award at least 15% of the HOME funds to CHDOs as the, "CHDO set-aside."

LIHTC proposals without a CHDO as the sole managing member or sole general partner will be awarded in the form of a loan and subject to repayment terms based on project underwriting.

## E. KHRC FEES

All fees are non-refundable. All checks should be paid to the order of Kansas Housing Resources Corporation with the development name and fee type listed in the memo and postmarked by the deadline. Nonprofit applicants must be the sole general partner and developer to obtain the reduced fees. 4% LIHTC fees will be based on the final amount of credit allocated at cost certification and issuance of 860g(s).

Pre-Application: \$250 for each preliminary application. 4% LIHTC applicants are required to pay this fee at the time of full application each round.

Full Application: \$10 per unit for each proposal. 4% LIHTC applicants are required to pay this fee at the time of full application each round.

Reservation: 10% of the annual Federal LIHTC reserved paid upon closing of the development's construction financing or at Carryover allocation, whichever occurs first. Nonprofit applicants who are the sole managing member or general partner and developer shall pay 5.5%. 4% LIHTC reservation fees are due within 5 business days of bond issuance.

Allocation Fee: 6% of the annual Federal LIHTC allocation amount paid at the time the allocation request and documentation are submitted to KHRC. Nonprofit applicants who are the sole managing member or general partner and developer shall pay 4%.

LURA Amendment Fee: \$250 for each amendment request to a development's Land Use Restrictive Covenant Agreement.

HUD Resources Soft Costs: KHRC may 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.

Private Activity Bond Allocation 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.

Compliance Fee: \$9.00 per \$1,000 (.009) of the annual Federal LIHTC amount allocated is due for all placed-in-service properties 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. Properties with HUD Resources funds will pay an additional compliance fee based on the number of assisted units. The current per unit fee is \$40. These fees are assessed on HTF funded properties regardless of when the development was approved. These fees are assessed on HOME funded properties with a funds committed date of August 1, 2015 or later.

### III. 9% LIHTC LIMITS AND SET-ASIDES

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

#### A. LIMITS ON AWARDS

##### 1. AWARD

The maximum award is \$850,000 in State and Federal 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 \$850,000 in State and Federal LIHTCs will qualify for the Unique Opportunity set-aside.

~~As required by~~ Pursuant to the Kansas Affordable Housing Tax Credit Act ~~(see, as amended by House Bill 2289, the total amount of State LIHTC awarded under this QAP shall not exceed \$8,800,000. In accordance with K.S.A. 79-32,306(a)), any development receiving State LIHTC shall be awarded State LIHTC in an amount equal to the Federal and State LIHTC allocations will equal each other LIHTC awarded to such development.~~

##### 2. PRINCIPAL

No Principal, as defined in QAP Section V(A)(2), will receive more than two awards per application round. If the selection criteria would result in a Principal exceeding this limit, KHRC will determine which application(s) to award. Section II describes additional limitations to Principals new to Kansas.

KHRC generally encourages entities that have insufficient technical expertise and/or experience to partner with experienced Principals to gain experience and capacity in affordable housing development. KHRC may, but is not required to, grant a waiver of development/credit award limitations for the proposed joint venture.

### 3. COUNTY

KHRC will generally make no more than two new construction awards per Rural County as defined in QAP Section III(C)(2). Metropolitan Counties, as defined in QAP Section III(C)(1), may receive three awards each. If the selection criteria would result in a county exceeding these limits, KHRC will determine which application(s) to award. KHRC may award an additional application in a county if demand is warranted through the Unique Opportunity set-aside. KHRC may award fewer than the maximum number of developments based on market need analysis.

## B. REHABILITATION SET-ASIDE

Based on the selection criteria in QAP Section VI, KHRC will award up to ~~2025~~% of available LIHTCs to applications proposing the rehabilitation of existing housing in the rehabilitation set-aside. In the event of inadequate demand among eligible applications, KHRC will make additional awards in the other set-asides in KHRC's discretion. Proposals may not be awarded based on underwriting criteria, lack of sustainable market conditions, unfavorable or unpredictable environmental conditions, or other factors which indicate higher than normal risk.

## C. NEW CONSTRUCTION SET-ASIDE

### 1. METROPOLITAN

KHRC will target at least 25% of total available LIHTCs for the new construction metropolitan set-aside applications located in the following Metropolitan Counties:

Douglas	Johnson	Sedgwick	Shawnee	Wyandotte
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In the event of an inadequate number of eligible or viable applications, KHRC will make additional awards in the other set-asides in KHRC's discretion. Proposals may not be awarded based on a final score that is below the median for this category; or on underwriting criteria, lack of sustainable market conditions, unfavorable or unpredictable environmental conditions or other factors which indicate high risk.

### 2. RURAL

KHRC will target at least 25% of total available LIHTCs for the new construction rural set-aside applications located in Rural Counties, which are defined as any county that is not listed as a Metropolitan County in QAP Section III(C)(1). In the event of an inadequate number of eligible or viable applications, KHRC will make additional awards in the other set-asides in KHRC's discretion. Proposals may not be awarded based on a final score that is below the median for this category; or on underwriting criteria, lack of sustainable market conditions, unfavorable or unpredictable environmental conditions or other factors which indicate high risk.

## D. GENERAL SET-ASIDE

KHRC will award the remaining LIHTCs based on:

- the demand and evaluation of the applications;
- the selection criteria;
- based on KHRC other expenditure and allocation requirements, examples include CHDO set-aside, NHTF and/or HOME commitment deadlines, and the LIHTC Nonprofit set-aside;
- which site(s) is/are the best location for the households served;
- committed to higher energy standards, and/or unique design features which contribute to environmental sustainability, reduced energy and water consumption, and reduced utility costs to residents;
- requested the lower amount of LIHTCs or LIHTC/unit; and
- the highest percentage of 30% AMI or less units.

## E. NONPROFIT SET-ASIDE

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

- be the listed Applicant;
- have the 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 ~~five~~three 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 conditions;
- unique funding and leveraging opportunities;
- disaster recovery response;
- competitive rankings of applications; and

- Supportive Housing:
  - A Proposal for segregated supportive housing must identify a targeted population that has disabilities that significantly interfere with their ability to maintain stable housing without appropriate supportive services. Applicants must detail why such services cannot be provided in a non-segregated setting.
  - A Proposal for integrated supportive housing shall have 20 – 25% targeted to specific populations with a particular vulnerability to housing instability (including but not limited to homeless or at risk of homelessness, victims of domestic violence, persons with mental illness or other disabling conditions, etc.). Proposals have an MOU for dedicated supportive services, with the cost of such services included in the operating budget.
  - For all supportive housing proposals, tenants must not be required to accept services. Services for persons with disabilities may be targeted to a specific population, but 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. Acceptance of services may not be used as a condition of tenancy, and refusal to accept services must not be used as grounds for termination or non-renewal of a tenant's right to occupy a unit.
  - For all supportive housing proposals, a Tenant Selection Plan should be provided and include items such as target population preferences, process for holding vacant units, renting to non-preferred applicants, etc. Designs plan must meet KHRC guidelines to ensure the development's adaptability for general population.
  - For all supportive housing proposals, KHRC recognizes there may be additional project cost considerations and will approve such considerations on a case-by-case basis.

## IV. 4% LIHTC LIMITS AND SET-ASIDES

The criteria in QAP Section IV do not apply to applications for 9% LIHTCs. ~~KHRC will award 4% LIHTC awards for approximately \$290 million in Private Activity Bond allocations. KHRC anticipates awarding up to \$145 million in Private Activity Bond allocation each round.~~ No Principal, as defined in QAP Section V(A)(2), will receive more than two awards ~~each round annually~~. Section II describes additional limitations to Principals new to Kansas. If the selection criteria would result in a Principal exceeding this limit, KHRC will determine which application(s) to award. ~~As with 9% LIHTC awards, the Federal and State LIHTC allocations for 4% awards under QAP Section IV will equal each other.~~

### A. LIMITS ON AWARDS – NEW CONSTRUCTION

~~KHRC will target LIHTCs for at least 35% of the available Private Activity Bond allocations for new construction. KHRC will award applicants that meet a minimum score of 55 points.~~ Each factor listed below will result in an application having a higher priority and is listed in declining order of significance. KHRC will award based on:

- the selection criteria in QAP Section VII;
- the demand and evaluation of the applications;
- which site(s) is/are the best location for the households served;
- the project's readiness to proceed, defined as any project that is appropriately zoned and has received all necessary local, state, and federal permits necessary to begin construction with the exception of the final building permit;
- deeper income targeting; and
- environmental sustainability, as evidenced by unique design features which contribute to reduced energy and water consumption, and reduced utility costs to residents.

KHRC will not award new construction developments within 1.5 miles of an awarded 4% LIHTC new construction development within ~~2-year~~one year. That time period is initiated by the award announcement date. KHRC may consider a subsequent phase prior to the end of the ~~2-one~~-year period if it meets the criteria listed below:

- was/were always planned as part of a phased development;
- is/are the second or third phase;
- is/are within .25 miles of the previous phase(s); and
- has demonstrated market need for the additional proposed units.

## B. LIMITS ON AWARDS – REHABILITATION

~~Based on~~KHRC will use the selection criteria listed in QAP Section VI, ~~KHRC will target at least 35% of the available Private Activity Bond allocations for applications proposing the to evaluate~~ rehabilitation ~~of existing housing proposals. All applications must demonstrate need for rehabilitation.~~

## V. THRESHOLD ELIGIBILITY

Unless otherwise indicated, the criteria in this QAP Section V apply to all applications and properties, including those 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 VIII.

#### 1. APPLICANT, DEVELOPER, CONSULTANT EXPERIENCE

The Applicant, Developer, or Consultant must have been listed in an awarded application(s) as a developer (may be a joint venture) for at least one LIHTC property in Kansas or three LIHTC properties

in other states. The involvement of the Applicant, Developer or Consultant may be through a single purpose LLC or limited partnership. KHRC may require proof of experience.

## PROPERTIES

To satisfy the experience requirements stated above, the LIHTC property or properties must:

- have been placed-in-service between January 1, ~~2015~~2016, and December 31, ~~2024~~2025; 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 10% of developer fee for consulting or providing a guarantee; and/or
- who are immediate family members or affiliates of the Applicant, Developer, Consultant, or member/partner of the eventual ownership entity (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 a misrepresentation or providing materially false information in an application;
- not having closed LIHTC equity on a property awarded by KHRC in ~~2022~~2023 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;
- not complying with QAP Section IX(A);
- committing acts which violate KHRC's Code of Ethics; or
- not being in good standing with any affordable rental housing program administrator.



Determined at preliminary and/or full application.

### 3. LIHTC MANAGEMENT EXPERIENCE

The proposed management agent entity must:

- be a management agent for at least three KHRC properties or seven LIHTC properties in other states; and
- have a history of satisfactory performance. Examples of unsatisfactory performance may include, but are not limited to, frequent overdue compliance tasks, outstanding compliance fees, high vacancy rates, excessive tenant concerns, uncorrected physical deficiencies, lack of urgency correcting Health and Safety issues.

Additional information can be obtained from the KHRC's Compliance Department.

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 is placed-in-service. The other listed management agent can manage the property upon KHRC's written approval.

Management agents without experience in Kansas may be required to meet separate requirements through KHRC's Compliance Department.

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

### 4. GENERAL CONTRACTOR

For General Contractors with an Identity of Interest with a Principal, a Contractor's Cost Certification will be required at the time of project cost certification. An Identity of Interest is generally a preexisting connection between the property's buyer and seller(s), such as a family or a business relationship.

A post-award documentation requirement.

### 5. SITE CONTROL

Applications must include documentation of either current ownership or the exclusive legal right to purchase the real estate for the proposed property (including 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.

Applications requesting HUD Resources must follow the site control requirements in Appendix B.

**Determined at preliminary application.**

## **6. MARKET NEED**

Applications must include a market 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). The market analysts must explicitly confirm the NCHMA standards have been met in the introduction letter or executive summary.

If the applicant has a market study that is less than 18 months old, but older than 12 months, KHRC will require a letter from the market analyst either updating any changes in information or confirming that the information is still accurate. KHRC will not accept market studies older than 18 months. KHRC may also review local data, nearby property data, and/or consult with other entities to further evaluate the market need of the proposed application.

**Determined at full application.**

## **7. 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 VIII(A)(6).

**Determined at full application.**

## **8. AVERAGE INCOME MINIMUM SET-ASIDE**

Applications must indicate the property's minimum set-aside. If the Applicant opts for average income, the market study must specifically reflect this choice by stating the proposed market can sustain rents within the range of 20% to 80% AMI.

Properties electing the average income minimum set-aside:

- may not contain market-rate units; and
- should have equitable distribution of unit designations throughout all floorplans to the extent possible.

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, the AI minimum set aside must be selected for each building in the project and owners must select that each building is part of the same multiple building project on line 8b in Part II of IRS Form 8609.

**Determined at full application.**

## 9. DEVELOPMENT COSTS

KHRC may determine an application is ineligible due to excessive per-unit costs, and KHRC may consider the history of a development team's accuracy in estimating development cost. KHRC may have a third-party review proposed or actual costs. Additionally, KHRC may request verification of costs. See QAP Section VIII(C) for additional limitations on development costs.

**Determined at full application.**

## 10. PERSONS WITH DISABILITIES AND LEASES

The ownership entity and management agent will:

- expressly include reasonable accommodations in the application for tenancy;
- not ask applicants or residents for medical or other protected information unless and only to the extent legally necessary (i.e., 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 that participation in any supportive services is entirely voluntary (i.e., 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.**

## 11. TARGET POPULATION ELECTION

The ownership entity must select whether the proposed development's targeted population is general occupancy or housing for persons 55 years of age or older.

Determined at full application.

## 12. ACCESSIBLE UNITS

The management agent will offer units with accessibility features:

- first to existing tenants who may benefit from the features of the unit; and
- then to the next applicant on the waiting list who may benefit from such features before offering the unit to otherwise qualified applicants.
- When advertising an accessible unit as available, the listing should identify the accessibility features of that unit in order to attract applicants who may benefit from those features.

Offers must respond to individuals' voluntarily stated preferences, not presumptions based on perceptions of medical circumstances.

A post-award documentation requirement.

## 13. 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.

## 14. 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 (Section 8) administrator(s) 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 as a list broken down by an indexing system that organizes construction data. The scope of work must be consistent with and address the needs identified in the Physical Needs Assessment in QAP Section V(B)(2).

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 of 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. The PNA should be current and within one year of the preliminary application due date. KHRC must be able to enter the buildings to conduct inspections.

**Determined at preliminary application.**

## **3. MINIMUM PER UNIT**

Buildings must require an average of at least \$~~4045~~,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 and 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

An application may be ineligible if the site is in proximity to any the following (KHRC will evaluate an approximate half-mile radius of the site):

- chemical or hazardous materials storage/disposal;
- commercial junk or salvage yards;
- industrial or agricultural activities generating odors or pollution;
- landfills currently in operation;
- wastewater treatment facilities; or
- other environmental conditions with potential impact on health and livability.

#### NEARBY

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

- an adult entertainment establishment;
- a distribution facility involving trucking;
- an electrical utility substation;
- a factory or similar industrial operation;
- a jail or prison;
- a large swamp, other natural feature that may contribute to strong odors or other health or safety concerns;
- a source of excessive noise; or
  - a source that raises an environmental justice concerns, meaning the source causes a disproportionate share of negative environmental consequences to fall on low-income individuals or individuals that belong to a protected class.

#### SITE

An application may be ineligible if the site:

- has any portion within a Federal Flood Risk Management Standard floodplain as defined in 24 CFR 55;
- is in, or would have, an impact on a wetland as defined in 24 CFR 55.

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;
- the capacity of all such utilities is adequate to support the addition of the proposed development;
- the proposed property has or will have access to a publicly maintained road.

**Determined at full application.**

DRAFT

## 4. DESIGN REQUIREMENTS

All newly constructed developments must design and construct at least 5% percent of the dwelling units (rounded up to the next whole number) 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 (rounded up to the next whole number) must have equipment to make it accessible for persons with hearing or visual disabilities.

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

## 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. Properties with 4% LIHTCs and Bonds can choose to commit to income and rent targeting below as detailed in Section VII. An award of HOME or NHTF will result in additional requirements. Unrestricted units will not be allowed for projects electing the average income set-aside.

## METROPOLITAN

Applicants for new construction properties in Metropolitan Counties will elect to comply with one of the following:

- the average income minimum set-aside with designations set to average 54% of AMI or less;
- the 20/50 or 40/60 election and at least 30% of LIHTC units to households at 40% AMI or below. ~~The~~
- the 40% AMI units must have rents that are within the appropriate Public Housing Authority voucher threshold.

## RURAL

Applicants for new construction properties in Rural Counties will elect to comply with one of the following:

- the average income minimum set-aside with designations set to average 57% of AMI or less;
- the 20/50 or 40/60 election and at least 30% of LIHTC units to households at 50% AMI or below. ~~The~~
- the 50% AMI units must have rents that are within the appropriate Public Housing Authority voucher threshold.

Determined at full application.

DRAFT

## 6. CONVERSION TO HOMEOWNERSHIP

KHRC will accept applications that propose units for conversion to homeownership as detailed in this section.

The proposal must consist solely of single-family homes, meaning homes that are free standing structures with no common walls, and must have a nonprofit that has the fostering of low-income housing as one of its exempt purposes serving as the sole managing member or general partner of the ownership entity. Additionally, the nonprofit must detail in the proposal its capacity and history of providing homeownership education and support.

At the end of the compliance period, the tenant household shall be given the option to purchase the home, and additionally, the nonprofit entity shall be given a right of first refusal in the event the tenant household does not purchase the home. All units in the development shall continue to be governed by the applicable LURA unless converted as provided in the Homeownership Conversion Plan.

Applicants will submit a Homeownership Conversion Plan acceptable to KHRC, as detailed in Appendix E.



Indicated at preliminary application, evaluated at full application.

## VI. SELECTION CRITERIA: REHABILITATION

KHRC will invite LIHTC rehabilitation applications which:

- earn 310 points under the Appendix A categories; and
- are competitive based on the priorities listed below.

Eligible applications will compete under the criteria in QAP Section VI.

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

- Requiring more rehabilitation work, based on KHRC's review and/or the PNA.
- LIHTC resyndications in year 22 of affordability and beyond.
- A greater percentage of units with project-based rent assistance. KHRC may consider the type and length of the assistance contract.
- 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; however, KHRC may consider qualified contract applications when evaluating the full application. Each application and associated exhibits will be evaluated independently of previous submissions.

Evaluated at full application.

## VII. SELECTION CRITERIA: NEW CONSTRUCTION

KHRC will invite 9% LIHTC new construction applications which:

- earn 310 points under the Appendix A categories;
- meet a minimum point threshold of 33 points at preliminary application; and
- meet any threshold requirements determined at preliminary application

to submit a full application. KHRC will invite applicants to participate in the full application period, and full applications will compete under the criteria in QAP Section VII. Each application and associated exhibits will be evaluated independently of previous submissions.

4% applications must meet a minimum point threshold of <del>3355</del> points. KHRC will evaluate 4% and 9% LIHTC based on the chart below. An "x" signifies the specific selection criteria will be considered for the relevant round. <del>20252026</del> QAP Selection Criteria			
		4%	9%
VII(A)	Past Performance	x	x
VII(A)	Successful Below Market Loans		x
VII(A)	Penalties	x	x
VII(B)	Underserved Areas	x	x
VII(C)	Subsequent Phase	x	x
VII(D)	Residential Character	x	x
VII(E)	Quality Site	x	x
VII(F)	Proximity to Amenities	x	x
VII(G)	Below-Market Loans and Support		x
VII(H)	Community Revitalization Plans	x	x
VII(I)	Opportunity Sites	x	x
VII(J)	Senior Housing with Services	x	x
VII(J)	Families	x	x
VII(K)	Deeper Affordability	x	x
VII(K)	Homeownership		x
<del>VII(K)</del>	<del>State Set-Aside Income and Rent Targeting</del>	<del>x</del>	
VII(L)	Tiebreaker	x	x

## A. PREVIOUS EXPERIENCE

Maximum of 10 points.

### 1. PAST PERFORMANCE

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. For joint ventures, KHRC will award the points for whichever principal would have received the higher amount.

#### 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, ~~20152016~~, and December 31, ~~20242025~~, for which the Applicant:

- was listed in the application(s) as a developer (may be a joint venture);

- 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:

- had 3 properties placed-in-service in states other than Kansas between January 1, ~~2015~~2016, and December 31, ~~2024~~2025;
- 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.

**Scored at preliminary application.**

## 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, ~~2015~~2016, and December 31, ~~2024~~2025, 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

The Applicant used below market loans or other financial support for a Kansas LIHTC property. 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, local or tribal 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; or
- 100 percent of all local government fees.

#### REAL ESTATE TAX EXEMPTION

Evidence of real estate tax abatement, exemption, or 95% rebate for a period of at least 10 years.

#### INFLATION REDUCTION ACT REBATES

Evidence of awarded Inflation Reduction Act rebates.

Scored at preliminary application.

### 3. PENALTIES

#### HOUSING DEVELOPMENT

KHRC may deduct 10 points if any Principal was listed as a developer or ownership entity member or partner in an application for a development that was placed-in-service between January 1, ~~2015~~2016, and December 31, ~~2024~~2025, and:

- failed to follow QAP Section IX(A);
- requested a qualified contract for a property in Kansas after September 1, 2022;
- failed to meet KHRC's design, accessibility, or energy requirements for projects that started construction in 2020 or later;
- requested additional funding resources after the 90 days prior to closing as detailed in the Reservation Agreements;
- Requested more than 10% of a credit allocation increase between initial award and 860g issuance;
- Increased Private Activity Bond issuance by more than 10% between initial award and 860g issuance; or
- failed to submit cost certification within the required period as defined in QAP Section IX(B)(4) .

Note: In lieu of a qualified contract, KHRC will consider amending the Declaration of Land Use Restrictive Covenant to adapt to changing needs in the market.

#### HOUSING COMPLIANCE

KHRC may deduct up to 20 points if any Principal was listed as a developer or ownership entity member or partner for an active LIHTC development that:

- changed management companies or ownership without notifying and submitting required documentation to KHRC at least 30 days prior to the change after January 1, 2023 (~~105~~ points);

- violated any commitment in the Declaration of Land Use Restrictive Covenants as determined by Housing Compliance Division (5 points per violation per property);
- continuously failed to establish and/or contribute to the replacement reserve account (5 points per property); and/or
- persistently failed to satisfactorily perform in accordance with the Compliance policies and procedures, including outstanding compliance fees, high vacancy rates, excessive tenant concerns, uncorrected physical deficiencies, lack of urgency correcting health and safety issues (5 points per property).

Determined at both preliminary and full applications.

## B. UNDERSERVED AREAS

An area is determined as underserved if it is not in a zip code that has been awarded a LIHTC project in the past 4 years. An application may not earn points in both this subsection and the Subsequent Phase subsection.

### 1. METROPOLITAN

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

66012	66018	66025	66030	66044
66049	66061	66062	66101	66103
66106	66109	66111	66112	66217
66227	66604	67037	67202	67206
67208	67209	67212	67213	67220

Scored at preliminary application.

### 2. RURAL

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

64114	66002	66043	66048	66067
66083	66441	66502	66503	66762
66801	67002	67010	67042	67063
67114	67156	67301	67337	67357
67401	67410	67460	67665	67701
67801	67871	66048		

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 of the previous phase(s).

The earlier phases must have:

- less than 5% physical vacancy for 6 months before preliminary application; ~~and~~
- waitlists representing at least 50% of what would be the proposed phases' units;
- the original phase(s) must have been awarded under the same Applicant as the current proposal;  
and
- not participated in the qualified contract process.

KHRC may require documentation that land was paid for only once. An application may not earn points in both this subsection and the Underserved Areas subsection.

Scored at preliminary application.

## D. 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, or across the street from, structures containing at least 25% of the number of residential units proposed for this development.

To receive the points the site must 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 C.F.R. 658.2(a). Additionally, the applicant must provide a Google map showing the "adjacent," compatible, existing structures and a narrative describing how the proposed project meets the above requirements.

Scored at preliminary application.

## E. QUALITY SITE

KHRC will award 5 points each to up to two proposals in the Metropolitan Counties and two proposals in Rural Counties that KHRC staff rate as the most desirable sites. This is a factor that involves subjectivity regarding the 'livability' of a site. Staff will consider factors including, but not limited to, street appeal;

the presence of desirable natural features such as parks, trees, or water; proximity to safe pedestrian travel routes (walkability); vehicle access and traffic patterns (including traffic noise); other transportation options; site slope or other challenges to buildability; areas for green space; opportunities for cultural, recreational, or social participation; safety (crime rates, proximity to emergency services, adequate street lighting, etc.); neighborhood stability (are people moving in or out, and whether residents want to stay in the neighborhood or community); etc.

Scored at full application.

## F. PROXIMITY TO AMENITIES

### Maximum of 20 points

Applicants must provide documentation of the driving distances calculated by Google Maps for the amenities described below. Specific instructions will be provided with the application. Routes must be drivable as of the preliminary application deadline. The measurements will be between the points closest to the site entrance and the amenity entrance. For non-scattered sites, all amenity maps submitted must use the same starting location.

For scattered site properties, the measurement will be from the site location with the longest distance(s) to the amenity entrance. The establishments must be open to the general public and operating as of the preliminary application deadline with no announced closing.

### 1. PRIMARY

Applicants must submit one PDF file of the Google Map driving distances to grocery, shopping, and pharmacy establishments. KHRC will:

- Separate applications located in Metropolitan Counties from applications located in Rural Counties;
- compile the mileages, note any distance under .3 miles will be rounded up to .3 miles;
- apply the weighting factors shown below;
- add the three (as weighted) and sort the total amounts in ascending order;
- award the maximum points (10 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. ~~If there is only one 4% new construction application located in a Metropolitan County, or only one 4% new construction application located in a Rural County, then~~ KHRC will use .4 miles as the comparable scoring for 4% new construction applications.

The primary amenities are defined as:

- Shopping: A retail establishment that offers a broad range of general merchandise, including, but not limited to, clothing, household items, personal care products, and similar essential items that serve diverse consumer needs.
- Grocery: A retail establishment that offers a selection of food products for at-home consumption, including perishable items such as fresh produce, dairy, and meat. This can include supermarkets, grocery stores, and similar establishments that provide a comprehensive selection of essential food staples. The establishment must be open 7 days a week and have regular set hours.
- Pharmacy: A retail establishment that provides pharmacy services, including the dispensing of prescription medications and related health products. This may include full-service pharmacies located within drugstores, supermarkets, or independent pharmacies.

A single establishment providing grocery, shopping, and pharmacy amenities, or any combination thereof, may be used as the primary amenity establishment for only two of the three amenity categories that the establishment provides. For example, a single establishment that provides grocery, shopping, and pharmacy amenities may be used as the primary amenity establishment for the Grocery and Shopping categories, but not the Pharmacy category of this subsection.

**Scored at preliminary and full application.**

## **2. SECONDARY**

Unless otherwise indicated in the listing of secondary amenities below, applicants may receive one point for each additional qualifying amenity located within 3 miles driving distance of the project site. Applications located in Rural Counties may receive ½ a point for each qualifying amenity that is more than three miles and less than 20 miles from the site.

Applicants must submit a PDF file of the Google Map driving distances to secondary amenities submitted for scoring and indicate the type of secondary amenity that is being submitted. Secondary amenities must be a separate, distinct establishment from the establishments submitted for primary amenities. A single establishment cannot be awarded more than one point under secondary amenities. Only one point may be earned per a listed secondary amenity type.



A maximum of 10 points total may be awarded for Secondary amenities.

#### QUALIFYING SECONDARY AMENITIES:

- Retail/clothing/department store (full range of clothing/household items) (1 point);
- Restaurants (1 point);
- Hospital (outpatient centers or emergency care facilities are eligible) (1 point);
- Medical care provider (i.e., clinic, physician/dental office) (1 point);
- Childcare service licensed in Kansas (1 point);
- A not-for-profit post-secondary educational institution including technical schools, community or junior colleges, colleges, and universities. (1 point);
- Public elementary, middle, junior high, or high school (1 point);
- Traditional town square which includes an operational anchor institution (i.e., county courthouse, city hall) and which serves as a hub for both commercial activity and community events (only applicable to properties in Rural Counties) (1 point);
- Community or publicly accessible not-for-profit recreational center (i.e., YMCA, Boys & Girls Club, public pool, public gymnasium, senior community, or multipurpose facility) (1 point);
- Public Park owned and maintained by a unit of government containing, at a minimum, playground equipment and/or walking/bike trails, and listed on a map or website (1 point);
- Public library (1 point);
- Fire station or police station (1 point);
- Federally insured banking institutions (ATMs not eligible) (1 point);
- ~~Place of worship or other~~ not-for-profit organization that provides additional community services such as a food pantry, community garden, etc. (Applicants must provide documentation showing the additional community services) (1 point);
- Seasonal, weekly farmer's market (1 point);
- Bus stop within .25 miles at a fixed location served by a public transportation system six days a week (1 point).

Scored at preliminary application.

#### G. 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

KHRC will award up to 10 points to applications meeting the criteria below.

### ELIGIBLE SOURCES

Only loans or grants of or from the following will qualify:

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

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

### TERMS

If the source is a loan, it 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 a unit 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	
5 pts	10 pts
\$4,000 - \$10,000/unit	Greater than \$10,000/unit

Scored at full application for 9% proposals only.

## 2. OTHER SUPPORT

KHRC will award up to 20 points to applications meeting the criteria below. Applicants will earn 10 points for each category. Points can only be awarded once per category.

### 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:

Unit Count	5 points	10 points
0-30	\$20,000	\$40,000
31-100	\$40,000	\$80,000
101+	\$60,000	\$120,000

If the local government commits to waive 100% of the combined impact, utility and other fees, the Applicant will receive 10 points.

### HISTORIC

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

### SALES TAX EXEMPTION

Applicable purchases made in connection with the construction of the proposed project will be exempt from taxes imposed by the Kansas Retailers' Sales Tax Act (K.S.A. 79-3601 et seq.) with proof of a passed resolution from the local government stating that the local government has determined that at least a portion of the tangible personal property and services purchased in connection with the construction of the project will be entitled to exemption from the tax imposed by the Sales Tax Act in connection with the issuance of Industrial Revenue Bonds.

Scored at full application for 9% proposals only.

## H. COMMUNITY REVITALIZATION PLANS (CRP)

Maximum of 15 points.

Applications may not earn points in both this subsection and the Opportunity Site 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); and
- 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 or Indian Housing Plan will qualify if it meets the above criteria.

Scored at preliminary application.

## 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 ~~2024~~2025 or ~~2025~~2026); or
- local government selected one of the Principals using a request for proposals/qualifications process.

Scored at preliminary application.

## I. OPPORTUNITY SITES

Maximum of 15 points.

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

KHRC will award points based on site census tract. For scattered site projects, KHRC will use the median score of the sites. Points are defined in Appendix D.

For 9% Applicants, KHRC will:

- separate applications in the Metropolitan set-aside from applications in the Rural set-aside;

- award the maximum points (15 points) to the application with the highest final percentile ranking; and
- award points to the remaining applications based on their percentage of the highest final percentile ranking.

For 4% Applicants, KHRC will:

- award the maximum points (15 points) to any applicant with an opportunity site score higher than the standard score of 70 points.
- award points to applicants with an opportunity site score lower than 70 points based on their percentage to the standard ranking of 70 points.

Scored at both preliminary and full application.

## J. SENIOR HOUSING WITH SERVICES OR FAMILY HOUSING

Maximum of 10 points.

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

### 1. 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 with a kitchen area that includes a refrigerator and sink;
- 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.

Scored at full application.

### 2. THREE OR MORE BEDROOMS

The applicant proposes a family property with at least 25% of LIHTC units containing three or more bedrooms will receive 10 points.

Scored at full application.

## K. DEEPER AFFORDABILITY OR HOMEOWNERSHIP

Maximum of 20 points.

### 1. INCOME TARGETING

An application that is located in a Metropolitan County and commits an additional 15% of the LIHTC units to be set-aside for households at 30% AMI will receive 5 points. These units must not overlap with the required income targeting in Section V.

Scored at full application.

An application may earn 15 points in one of the ~~three~~four subsections below.

### 2. FAIR MARKET RENTS

Development offers gross rent for all units up to and including the 60% limits at a rate that is at or below the fair market rent for the area in which the property is located as published by HUD. To receive consideration for the points, the box must be checked in the excel application.

Scored at full application.

### 3. PROJECT BASED RENTAL ASSISTANCE

Development offers project based rental assistance to 60% or more of the LIHTC units. A commitment from the local Public Housing Authority is required at full application.

Scored at full application.

### 4. CONVERSION TO HOMEOWNERSHIP

To be eligible for homeownership conversion projects must meet the requirements specified in Section V(C)(6).

Indicated at preliminary, scored at full application for 9% proposals only.

### 5. STATE SET-ASIDE 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). Unrestricted units will not be allowed for projects electing the average income set-aside.

#### METROPOLITAN

Applicants for new construction properties in Metropolitan Counties will elect to comply with one of the following:

- the average income minimum set-aside with designations set to average 54% of AMI or less;
- the 20/50 or 40/60 election and at least 30% of LIHTC 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.

#### **RURAL**

Applicants for new construction properties in Rural Counties will elect to comply with one of the following:

- the average income minimum set-aside with designations set to average 57% of AMI or less;
- the 20/50 or 40/60 election and at least 30% of LIHTC 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.

Scored at full application for 4% proposals only.

#### **L. TIEBREAKER**

In the event that 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/have demonstrated to higher energy standards, has/have requested the lower amount of LIHTCs, and has/have the highest percentage of 30% AMI or less units, all in KHRC's discretion.

Considered at full application for 9% proposals only.

## **VIII.UNDERWRITING STANDARDS**

Unless otherwise indicated, the criteria in QAP Section VIII 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%; and
- 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. Applications must justify DCRs outside these ranges in a narrative. KHRC will evaluate an outside DCR to determine if requested resources are necessary for sustainability.

Projects with no hard debt and/or no deferred developer fee may be allowed but will be subject to additional scrutiny from KHRC, and must include with the project's application a narrative justifying that the project has no hard debt and/or no deferred developer fee. KHRC, in its discretion, may reduce the awarded resources to a project with no hard debt and/or no deferred developer fee.

KHRC will assess the DCR without regard to any deferred developer fees or funds paid to members/partners (i.e., 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 operating budget 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.

## 4. UTILITY ALLOWANCE

Additional information regarding these utility allowance methods can be found in KHRC's Housing Tax Credit Program Compliance and Policies and Procedures Manual.

Utility allowance must be determined by one of the following approved methods:

- Rural Housing Service (FmHA/Rural Development) Regulated Buildings and Rural Housing Assisted Tenants must use the utility allowance determined under the method prescribed by the Rural Housing Service.
- HUD Regulated Buildings – If the rents and utility allowances of the buildings are reviewed by HUD on an annual basis, the applicable utility allowance for all rent-restricted units in the building is the applicable HUD utility allowance.
- Other Projects –



- Applicable Public Housing Authority (PHA) utility allowance established for the Section 8 Existing Housing Program.
- Local Utility Company Estimate
- HUD Utility Schedule Model
- Energy Consumption Model
- Agency Estimate as provided in the Utility Allowance Calculations section of KHRC's Compliance Policies and Procedures Manual, which is incorporated herein by this reference.

#### 4. 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

All 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.

#### 5. EQUITY PRICING

KHRC may use the price outlined in the excel application for both the Federal and State LIHTCs 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.

#### 6. 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 and conditions.

## 7. HUD RESOURCES: 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.

## 8. DDA, QCT, AND KHRC-DEFINED BASIS BOOST

Properties with LIHTCs will receive the 30% increase in eligible basis if located in a Difficult Development Area (DDA) or Qualified Census Tract (QCT). Other 9% LIHTC Applicants may request a boost in accordance with KHRC's authority to increase the boost in basis as defined in IRC Section 42. KHRC will review and approve or deny such a request.

## 9. MINIMUM DEVELOPER FEE

Developer Fees must meet the minimum of \$40,000 and the maximum indicated in QAP Sections VIII(B)(1) or VIII(C)(1).

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

## 10. CONTRACTOR FEE MAXIMUM

Contractor fees cannot exceed:

- General Requirements – 6%
- Builder's Overhead – 2%
- Builder's Profit – 6%

## B. REHABILITATION

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

## 1. DEVELOPER FEE

Developer Fee is limited to either the amount in QAP Section VIII(A)(9) or ~~2022~~% of the Eligible Basis (before any boost) of the Qualified Low-Income Building(s), excluding the Developer Fees and acquisition costs plus up to five percent (5%) of the purchase cost of the buildings (existing structures).

$20\% * (\text{Total Eligible Basis} - \text{Developer Fees} - \text{Acquisition Costs} + (5\% \text{ of Existing Structures}))$

At a minimum, the Developer Fee calculated from building acquisition will be deferred. KHRC may require ~~any portion of the~~ developer fee ~~amount over \$20,000 per unit~~ to be deferred.

## 2. 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. DEVELOPER FEE

Developer Fee is limited to the amount in:

Total Units	Maximum per unit
1-50	\$ <del>2022</del> ,000
51-149	\$ <del>18,000</del> 19,800
150+	\$ <del>15,000</del> 16,500

Minimum developer fee is set by QAP Section VIII(A)(9). Small HOME or HTF-only projects of 8 units or fewer are limited to 15% of total HOME or HTF-eligible costs.

### 2. DEVELOPMENT COSTS

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

## VERTICAL CONSTRUCTION

KHRC will review vertical construction line items. Vertical ~~includes~~costs include hard construction ~~costs~~cost. Hard construction costs include demolition, site work, off-site improvements, rehabilitation, new construction, accessory buildings, general requirements, builder's overhead, builder's profit, building permit fee, other construction costs, 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. HUD RESOURCES

HOME and NHTF designated units shall be floating, except when a waiver is approved for a mixed use or mixed income property, or for architectural considerations which prohibit rehabilitating or constructing comparable units within an existing structure. 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. The number of HOME or HTF-assisted units in a development will be determined prior to execution of the HOME or HTF agreements. The minimum number of assisted units is based on a) the proportion of HOME or HTF funds to the total eligible costs of the project and b) per-unit subsidy limits which are updated periodically by HUD. The application budget template includes a column for estimating HOME or HTF-eligible project costs.

## IX. POST-AWARD AND COMPLIANCE

Unless otherwise indicated, the criteria in QAP Section IX 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);
- reducing the amount of deferred developer fee approved at Reservation Agreement and/or 4% LIHTC application approval;
- any other change to the awarded application.

KHRC will approve uses for unused contingency. Possible uses could include a reduced deferred developer fee, a reduction of KHRC sources, and/or reduced permanent debt.

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; and
- occupying units.

At 90 days prior to closing, KHRC will evaluate the feasibility of the credit allocation award. Developments that need an increase more than 10% of the original award may be subject to a penalty.

Failure to comply may result in a 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 2026.

### 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 involve resyndication of LIHTCs must:

- submit Change of Ownership and Management forms to the Compliance Division at least 30 days prior to the change;
- execute and record an Assignment and Assumption Agreement for the prior Declaration of Land Use Restrictive Covenants;
- meet with the Compliance Department prior to acquisition of the development; and
- continue to adhere to all compliance requirements from the previous allocation and prior Declaration of Land Use Restrictive Covenants until the compliance period under the new allocation begins;
- Average Income is not allowed for any resyndication of existing LIHTC properties.

Applications for resyndication should not be submitted prior to the end of the 15-year compliance. Once completed 8609s are returned to KHRC confirming the first year of credit for the new allocation, a release for the previous LURA will be sent by KHRC to the county for recording. The compliance fee remains the amount charged under the previous credit up until the year the new credit starts. Once the first year of credit is confirmed the fee amount will be adjusted.

### 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 within 120 days of the last Certificate of Occupancy or the date of substantial completion on form AIA G704 Certificate of Substantial Completion:

- 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 certified home energy rater;
- Property Upload Data Sheet (KHRC form);
- Property Information Template (KHRC form);
- 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;
- documentation the ownership entity informed the local public housing authority and HCV administrator(s) (Section 8) of the acceptance of their referrals;

- a Contractor's Cost Certification is required if an Identity of Interest exists with a Principal and General Contractor.

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 HUD resources 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.

## 6. 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 Section 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 30-year extended use period (including a physical inspection and review of records);
- submit the Annual Owner's Certification of Continued Program Compliance along with other annual reporting requirements each year;
- be a user on the Procorem Compliance Workcenter;
- 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 as appropriate.



## 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 V(A)(14).
Market Study*	45	The market study documents sufficient demand for the development as proposed.
<b>TOTAL</b>	<b>310</b>	

\* The points for the market study requirement will be assumed at preliminary application. If the applicant fails to submit the market study as a full application document, then the application will no longer be eligible to receive funding.

## APPENDIX B: HUD RESOURCES

Regulations and guidance can be found online at [www.hudexchange.info](http://www.hudexchange.info) under the 'Programs' tab; in the Code of Federal Regulations at 24 C.F.R. 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, BABA requirements;
- possible Davis Bacon wage requirements (HOME only);
- federal non-discrimination requirements, Fair Housing and VAWA compliance, and;
- 2021 IECC energy standards;
- property standards, including ongoing inspections throughout the affordability period.

Awardees of HUD Resources will be required to execute:

- HOME/HTF Written Agreement
- HOME/HTF Mortgage (must be recorded)
- HOME/HTF Declaration (must be recorded in a first position)
- HOME/HTF Assignment of Rents and Leases (must be recorded)
- HOME/HTF Completion Guaranty
- HOME/HTF Performance Guaranty
- HOME/HTF Environmental Indemnity
- HOME/HTF Promissory Note
- HOME/HTF Owner-Developer Eligibility Certification

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. Site control must explicitly be in the form of an option agreement that:

- is subject to a determination regarding the desirability of the property for the project as a result of the completion of the environmental review in accordance with 24 CFR 58; and
- the cost of the option is a nominal portion of the purchase price.

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 (i.e., 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.

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## APPENDIX C: DESIGN REQUIREMENTS



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~~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 LIHTCs. Required documents must be prepared by an engineer or architect licensed to do business in Kansas. Other federal resources may require additional requirements.

At all times after award the owner is responsible for promptly informing the KHRC of any changes or alterations 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.

### A. 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.

### B. DESIGN DOCUMENT STANDARDS

#### 1. PRELIMINARY APPLICATION PLAN REQUIREMENTS

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

- Provide site location, total number of buildings in project, total number of units, and style of building.
- Provide external rendering or sketch of proposed development.
- 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 a scope of work and Physical Needs Assessment (PNA).

#### 2. FULL APPLICATION PLAN REQUIREMENTS

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

- Provide dimensioned site and floor plans.
- Location of, and any proposed changes to, existing buildings, roadways, and parking areas. Parking spaces must be clearly depicted.
- All existing site and zoning restrictions including setbacks, right of ways, boundary lines, wetlands, and any flood plains.
- Existing topography of site and any proposed changes including retaining walls.
- Front, rear, and side elevations of ALL building types and identify all materials to be used on building exteriors.
- Locations of site features such as playground(s), gazebos, walking trails, refuse collection areas, postal facilities, and site entrance signage.
- The location of units, common use areas and other spaces.

### 3. 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 NSPIRE).

## B. BUILDING AND UNIT DESIGN PROVISIONS

### 1. ACCESSIBILITY GUIDELINES

#### QUALIFIED CONSULTANT QUALIFIED CONSULTANT

Each awarded project must retain a KHRC-qualified Consultant to monitor the project for accessibility compliance. The Consultant cannot be a member of the proposed Project Team nor have an Identify of Interest with any member of the proposed Project Team. The Consultant must perform the following:

- A pre-construction plan and specification review to determine that the proposed property will meet all required accessibility requirements. The Consultant report must be included with the initial construction documents submitted to KHRC. At a minimum, the report will include the initial comments from the Consultant, all documents related to resolution of identified accessibility issues, and a certification from the Consultant that the plans appear to meet all accessibility requirements.
- An inspection of the construction site after framing is completed to determine that the property is following the approved plans and specifications as to accessibility. KHRC must receive a copy of the report issued by the Consultant as well as documentation that all issues, if any, have been resolved.
- A final inspection of the property after completion of construction to determine that the property has been constructed in accordance with all accessibility requirements. KHRC must receive a copy of the report issued by the Consultant as well as documentation that all issues, if any, have been resolved prior to submission of the project cost certification.

#### 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 has commenced. The certification must state that the training session was at

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 and may be provided by the qualified accessibility consultant as part of the contracted duties.

## 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 Credits (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.

## 2. 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 that received its certificate of occupancy on or after March 13<sup>th</sup>, 1991.

## K.S.A. 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 (i.e.,



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.

### 3. 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 13<sup>th</sup>, 1991. If significant renovations are made to a property all reasonable attempts should be made to make units accessible.

#### K.S.A. 58 - ARTICLE 14

K.S.A. 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. Section 8.23(a)). The new construction provisions of 24 C.F.R. Section 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. Section 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 every element altered accessible. Alterations must meet the applicable sections of the UFAS which govern alterations.

#### 4. EXTERIOR DESIGN AND MATERIALS

- 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.
- Exterior Wall Finishes
  - For new construction other than single family units, exterior wall faces must have an excess of 30% brick or natural or manufactured stone on each of the exterior wall surfaces. This is applicable to all sides of the buildings including the front wall face, each side's wall face and rear wall face of the buildings. This is not applicable to the interior wall faces of open breezeways. On all exterior walls the brick/stone must extend to all areas of grass, landscaping and other areas of soil or mulch. The remaining 70% must be fiber cement or other 40-year warranty product. The use of metal ~~and/or vinyl~~ siding can be reviewed on a case by case basis.
  - For the rehabilitation of buildings that are eligible for historic preservation credits, maintain and if necessary, replace with matching materials, the existing or original exterior finish surfaces including the front wall face, rear wall face and both side wall faces.
  - For single family units, the total building envelope shall have 40% minimum brick or natural or manufactured stone coverage on the front wall face; remaining exterior wall faces must be fiber cement siding or other 40-year warranty product.
- 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.
- All buildings must include seamless gutters and aluminum drip edge on all gable rakes and fascia boards. Downspouts must be installed so as not to drain across pedestrian path of travel.
- Breezeway and stairwell ceilings must be constructed of materials rated for exterior exposure.
- 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.
- Exterior railings should be made of vinyl, aluminum, or steel.
- Anti-fungal dimensional (architectural) shingles with a minimum 30-year warranty are

required for all shingle roof applications.

- ~~In vinyl siding applications all exterior penetrations must be installed in plastic J-boxes.~~
- Weep holes must be below finished slab elevation and not covered with sod, mulch, finished grade or landscaping.

## 5. DOORS AND WINDOWS

- 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.
- 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.
- Insulated, double pane, vinyl windows meeting 2018 IECC are required for new construction and rehabilitation projects (if replacing windows).
- All new construction residential buildings must have an elevator. Buildings with over 75 units will require a second elevator.

## 6. INTERIOR DESIGN AND MATERIALS

- 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	650 square feet
2 Bedroom	800 square feet
3 Bedroom	900 square feet
4 Bedroom	1,150 square feet

- 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 closets must not be in a bedroom or a kitchen. Units with an associated garage are not required to have the additional storage closet.
- Kitchens, dining areas, and entrance areas must have vinyl, VCT or other non-carpet flooring.
- 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.
- Residential floors and common tenant walls must have sound insulation batts.
- 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.

- 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.
- All interior common areas, hallways, and enclosed corridors must be served by heating and cooling systems.

## 7. BATHROOMS

- 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)
- All domestic water line cut off valves must have metal handles, not plastic.
- 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 the finished floor.

## 8. KITCHENS

- New cabinets must include dual sidetracks 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.
- The minimum aisle width between cabinets and/or appliances is 40 inches.
- All residential units must have a double bowl kitchen sink if a dishwasher is not provided.
- In accessible units:
  - follow applicable accessibility guidelines and
  - both the range hood fan and light must have separate remote switches.
- In accessible units and common areas, kitchen ranges with cooktop can be no higher than 34 inches above floor.
- 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.

## C. MECHANICAL, SITE, AND INSULATION PROVISIONS

### 1. PLUMBING PROVISIONS

- All rental units require at least one full bathroom.
- Three-bedroom units require at least 1.75 bathrooms (including one bath with upright shower and one bath with full tub).
- Four-bedroom units require at least two (2) full bathrooms.
- 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.

- A frost-proof exterior faucet must be installed on an exterior wall of the community/office building.
- ~~All tub/shower control knobs must be single lever handled and offset towards the front of the tub/shower.~~
- Provide lever faucet controls for the kitchen and bathroom sinks.
- Domestic water lines are not allowed in unconditioned spaces, including breezeways and community building attics.
- In all accessible units, tubs and showers must have wood blocking installed on the bathing fixture.
- 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.
- All plumbing pipes must be installed inside wall cavities. Connections to water and sewer lines may not be made through floors or cabinet bottoms.
- Unit water shut-off valves must be located in a reachable location to the resident and be clearly marked with signage.

## 2. ELECTRICAL PROVISIONS

- 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.
- Switched exterior lighting is required at each unit entry door except when entry doors are in a hallway or breezeway where lighting is on from dusk to dawn.
- Projects with gas heating and/or appliances must provide a hard-wired carbon monoxide detector with a battery back-up in each residential unit.
- All non-residential and residential spaces must have separate electrical systems.
- Initially installed bulbs in residential units and common areas must be compact fluorescent, LED, or pin-based lighting in 90% of all fixtures.

## 3. HEATING, VENTILATING AND AIR CONDITIONING PROVISIONS

- All non-residential areas and residential units must have their own separate heating and air conditioning systems.
- 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.
- 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.

- The use of duct board is prohibited. Galvanized metal must be used for plenums and mixing boxes.
- Connections in duct system must be sealed with mastic and fiberglass mesh.
- All openings in duct work at registers and grilles must be covered after installation to keep out debris during construction.
- Exterior exhaust vents must be mechanically secured to siding and/or brick veneers.
- Total dryer vent run may not exceed 35 feet, including deductions for elbows.

#### 4. SITEWORK AND LANDSCAPING

- Provide positive drainage at all driveways, parking areas, ramps, walkways, and dumpster pads to prevent standing water.
- No sidewalks may exceed a 2% cross slope regardless of where located. Provide a non-skid finish to all walkways.
- All water from roof and gutter system must be piped away from buildings.
- Lots must be graded so as to drain surface water away from foundation walls.
- Minimum landscaping budgets of \$300 per residential unit are required unless specific site characteristics make this infeasible (i.e., 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.
- Sitework changes after application award are not permitted without Agency approval.

#### 5. 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.

- 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.
- 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.
- 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 ventpipe 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.**

## D. ENERGY EFFICIENCY

Developments must demonstrate compliance with the 2018 International Energy Conservation Code or meet the requirements for Energy Star, Version 3.1, Revision 11 or Energy Star Multifamily New Construction, Version 1.1, Revision 01.

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.

The 2018 IECC Air Exchange requirement is 3 ACH. KHRC will allow an Air Exchange rate of 5 ACH.

The energy auditor/rater for each new development, rehabilitation, or conversion must be designated prior to the start of construction. 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. Prior to construction, a pre-energy audit must be provided. Prior to enclosing unit walls, the energy rater must be notified, and an inspection completed, to ensure proper insulation and duct sealing. 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 ensure 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. **All units must have an insulation inspection and a final attic inspection.**

## E. BROADBAND INFRASTRUCTURE

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

- The location of the substantial rehabilitation makes installation of broadband infrastructure infeasible;
- 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.

## F. 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.

### 1. PLAYGROUND AREAS

- 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.
- 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.

### 2. POSTAL FACILITIES

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

### 3. LAUNDRY FACILITIES

- Laundry facilities are **required** for all projects, unless in-unit washer and dryer are provided.
- 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.
- 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.
- 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.
- 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.
- The laundry room must have adequate entrance lighting functioning from dusk to dawn.
- 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).

- 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.

#### 4. COMMUNITY / OFFICE SPACES

- 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. Single-family residential projects are exempt.
- If provided, the community building/space must contain both a handicapped toilet facility and a kitchen area that includes a refrigerator and sink.
- The office must be situated as to allow the site manager a prominent view of the residential units, playground, entrances/exits, and vehicular traffic.
- 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.
- KHRC will review proposed office hours in the application and may require established office hours depending on the size of the development, proposed tenancy, etc.
- Office space requirement may be waived on a case-by-case basis. Examples might include a subsequent phase with a shared use agreement, a scattered site project, or an existing management office within reasonable driving distance. Exemption must be approved by KHRC.

#### 5. PARKING

- Family projects require a minimum of one parking spaces per unit.
- Senior projects require a minimum of one parking space per unit.
- 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.
- 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.
- 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.

## 6. REFUSE COLLECTION AREAS

- Fencing consistent with the appearance of the residential buildings must screen the collection area.
- 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.
- The refuse collection area(s) may not be at the entrances or exits of the project and should be reasonably located amongst all buildings.

## G. 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 National Standards for the Physical Inspection of Real Estate (NSPIRE) 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 C.F.R Part 745, and Occupational Safety and Health Act (OSHA) regulations on lead 29 C.F.R 1910.1025 shall apply as required. Rehabilitation projects with Federal (HOME or HTF) funds must comply with the requirements of 24 C.F.R 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.

## H. PRECONSTRUCTION AND CONSTRUCTION PERIOD REQUIREMENTS

### 1. SIGNAGE

Job/Development site sign must be displayed at the start of construction at the main/most trafficked entrance. KHRC must approve the sign before it is posted at the site. KHRC requires a photo of the sign

posted at the job site. For company logo, contact KHRC for JPEG/TIFF version of the KHRC logo.

## 2. PRECONSTRUCTION MEETING

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

## 3. 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.

## 4. 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: OPPORTUNITY SITES

### AA. MEASUREMENT CATEGORIES

KHRC will:

- Separate applications located in the Metropolitan set-aside from applications in the Rural set-aside;
- award the maximum points (15 points) to the application with the highest final percentile ranking; and
- award points to the remaining applications based on their percentage of the highest final percentile ranking.

Each metric falls under one of four categories of importance:

1. Affordable Housing Need – The need for affordable housing options based on existing gaps relative to the household characteristics of the area. “Need” focuses on the lowest income level households, founded heavily on data points and findings from the 2021 Kansas Statewide Housing Needs Assessment.
2. Growth Demand – Potential population and employment growth in the area and the associated potential need for housing units. The metrics include population trends, building permit activity, and employment.
3. Quality of Life – The qualities of an area that make it favorable for lower-income households to live comfortably. Examples of quality of life metrics include housing quality, housing age, commuting time, and walkability.
4. Economic Opportunities – The economic prosperity and ability to thrive in the area. Economic opportunity metrics include income, market housing prices, rent, and other non-housing costs.

#### 1. RURAL OPPORTUNITY AREA SCORES

#### 2. METROPOLITAN OPPORTUNITY AREA SCORES

## APPENDIX E: CONVERSION TO HOMEOWNERSHIP

### A. HOMEOWNERSHIP CONVERSION PLAN

The Homeownership Conversion Plan submitted by the applicant must address, at the minimum, the following issues:

- Timing of the conversion. Units may only be sold after the end of the compliance period. However, preparations for the conversion of units from rental to homeownership should begin to take place prior to the end of the compliance period;
- A description of how the purchase price will be calculated. The cost of ownership, including monthly mortgage payments on principal and interest, insurance, property taxes, and utilities, should be, to the greatest extent possible, affordable to households meeting the applicable LIHTC income restrictions applicable to the particular unit being sold. KHRC encourages cost of ownership prices to mirror cost of renting prices in year 15 to the greatest extent possible. KHRC also encourages project sponsors to offer a discount to tenants based on the number of years the tenants have occupied the units;
- Lease terms or lease addendums that will be included in the leases of residents of the homeownership conversion project. Leases or lease addendums should include language notifying the residents of the conversion plan, the planned timing of the conversion, the ability of tenants to purchase their units after year 15, and other relevant terms. The lease or lease addendum should unambiguously notify tenants that rental payments will **not** act as payments toward purchasing the unit. Additionally, leases must include language that explicitly and conspicuously notifies tenants that tenants may not be evicted or refused lease renewal due to the fact that they are unable or unwilling to purchase their units after year 15.
- A summary of financial and homeownership counseling that will be made available to residents in anticipation of homeownership conversion. Such training and counseling should be made available no less than 5 years before the end of the compliance period;
- A summary of basic home maintenance training that will be made available to residents in anticipation of conversion. Such training should be made available no less than 5 years before the end of the compliance period;
- A plan addressing how any unsold units will be maintained and managed as rental units throughout the extended use period or until such units are sold to an income eligible household. Applicants must show that it is financially feasible to continue maintaining unsold units as rental units until the extended use period expires;
- A plan for assessing needed repairs and financing such repairs prior to conversion. Repairs or replacements should be made to major systems prior to conversion to ensure that purchasers do not face financially significant costs related to such repairs or replacements in their initial years as homeowners;
- An outline specifying the use of excess replacement reserves after conversion;
- A plan addressing the upkeep of any community or common property after the conversion;

All homeownership plans must comply with Section 42 of the IRC and must be acceptable to KHRC. Essential commitments made in the Homeownership Conversion Plan will be formalized in the project's LURA.

DRAFT