

# Kentucky Housing Corporation Compliance Monitoring Fee Schedule

– Effective with Submission of Annual Performance Report –

## Housing Credit Program and Risk Sharing

**The Annual Performance Report Packet consists of ALL the following items submitted and received at KHC by March 15, 2016:**

- Completed Owner's Annual Certification of Compliance (all funding source)
- Annual Operating Expenses / Income and Rental Rate Information
- On line-payment of fees must be received by 11:59 p.m. EST on March 15, 2016.

\*\* Failure to submit any of these items by March 15, 2016 will resort in a late fee assessed to the project. See information below on late fees.

### **Annual Monitoring Fee Rate - Compliance Period (Years 1 – 15):**

- RHS Section 515 in Initial Reporting Year: Number of Units x \$40 = Total \$ Due
- RHS Section 515 in Subsequent Years: Number of Units x \$15 = Total \$ Due
- Non-RHS: Number of Units x \$40 = Total \$ Due
- Risk-Sharing ONLY project: Number of Units x \$40 = Total \$ Due

### **Annual Monitoring Fee Rate - Extended Use Period (Years 16 – 30):**

- HC projects combined with RHS Section 515: Number of units x \$5 = Total \$ Due
- Non-RHS: Number of Units x \$15 = Total \$ Due
- Risk Sharing combined with HC Projects: Number of Units x \$40 = Total \$ Due

### **American Recovery and Reinvestment Act of 2009 (ARRA) Project(s) – Asset Management (AM) Fee**

- Annual Monitoring Fee does not apply to Section 1602 Exchange and/or TCAP due to the pre-established Management Fee Escrow accounts.
- However, late submission of the electronic APR packet (Owner's Annual Certification of Compliance and Annual Operating Expense Information) will be assessed a late fee that will be deducted from the project's Management Fee Escrow account.

### **\*\* APR Late Fee:**

- All properties that have not submitted all required Annual Performance Packet items (See above) or have submitted an incomplete certification by March 15, 2016 will be assessed a **\$25.00 per/unit late fee**. An additional **\$25.00 per/unit late fee** will be assessed if the Annual Performance Packet has not been received within 90 days of the deadline.

KHC reserves the right to NOT cap the late fee assessment. KHC will consider if a project has demonstrated a pattern of late submittals when determining if the late fee should have a maximum cap.

### **Paper Submission Fee:**

An additional \$100 fee per project must be submitted with any paper submission of the Owner's Annual Certification of Compliance. If this fee is not submitted with the report, then the certification will be considered incomplete and will be subject to late fees until paid.

### **Data Entry Fee – Tenant Data Collection System (TDCS):**

In addition to Paper Submission Fee

For owners of multifamily rental housing electing to submit tenant data on the Building Status Report (BSR) via email or paper, an additional data entry fee of \$10 per unit or \$100 per project – **whichever is greater** must be submitted. If this fee is not submitted with the report, then the certification will be considered incomplete and will be subject to late fees until paid.

### **– Effective Immediately Upon Publication –**

### **Fee(s) in Addition to Annual Monitoring Fee Rates**

(Applicable to All Rental Programs)

### **Follow-up Physical Inspection Fee**

- \$200.00 per project visit

A follow-up physical inspection fee will be assessed to a project if a KHC Compliance Officer or Inspector has to reschedule a follow-up unit and/or site inspection for the following reasons:

- Selected unit(s) were not able to be accessed during scheduled review time,
- Tenants were not provided proper notification to allow entrance to the unit for inspection by KHC staff,
- Owner / property manager failed to meet KHC staff at property on the day of the confirmed compliance review, and
- Any other reason by fault of the owner / property management company that would cause KHC staff to have to reschedule required inspections.

### **Qualified Contract Request Fees (Housing Credits only):**

- \$3,500 non-refundable administration fee with the request.

Owners requesting a Qualified Contract must submit a \$3,500 non-refundable administration fee with the request. In the event that additional third-party reports are required by a potential buyer or KHC, the Qualified Contract process may be suspended during the time needed to prepare the reports. The cost of the additional reports will be at the expense of the property owner. All payments for service must be made within a timely manner. Non-cooperation by the property owner to respond to reasonable third-party report requests by KHC or a potential buyer will lead to the termination of the Qualified Contract process. Non-cooperation or excessive delays by the property owner on any issues of the Qualified Contract process will also result in the termination of the process and will result in the owner being required to comply with the property low-income usage requirement for the remaining extended use period.

### **Change in Ownership Fee:**

- \$100 per affordable housing unit/Housing Credit unit up to a maximum of \$2500

Note: Any type of change in ownership, either complete change in General Partner or change in entities that form the GP, will result in this fee. For Housing Credit projects in which the limited partner is removing the GP due to poor performance, KHC reserves the right to waive this fee. In addition, KHC reserves the right to waive this fee if it presents a financial hardship to an assuming nonprofit.

### **Change in the Project Design Fee:**

- \$100 per affordable housing unit up to a maximum of \$2500

Note: This fee will be charged if an owner requests a project design element that was originally pledged in the funding application for which points were awarded and, if approved, the change would require legal documents to be modified. This does not include temporary waiver requests on such set asides as homeless units or units set aside for special needs population.