



## Now More than Ever! 2009 Kentucky Affordable Housing Conference



### **Date and Place**

The 2009 Kentucky Affordable Housing Conference will begin the morning of Wednesday, October 28, and conclude at noon on Thursday, October 29. The host facilities will again this year be the Hyatt Regency Hotel and Lexington Convention Center downtown near many dining, shopping, and entertainment attractions.

### **Theme**

This year's theme, *Coming Home Means Everything*, was selected as a reflection of this economically challenging time for many Kentuckians, most certainly those we jointly serve.

The 2009 conference has been designed to offer valuable information about affordable housing in Kentucky from industry experts and leaders. Nowhere else in Kentucky can you receive this much information at one time about affordable housing.

### **Continuing Education Credits**

Additionally, the conference will offer a total of six hours of Continuing Education Credits to mortgage lenders and nonprofit mortgage lenders in accordance with requirements established by the Kentucky Department of Financial Institutions.

### **Tracks**

Conference workshops are divided into the following tracks: Energy Awareness, Homeownership Protection Center, Housing Finance and Construction—Homeownership Production, Housing Finance and Construction—Rental Production, Mortgage Lending, Specialized Housing Resources, plus a Bonus track for miscellaneous topics requested in the past. Please remember that attendees are not restricted to one track.

### **Awards**

The annual conference housing awards will be presented at the lunch on Wednesday, October 28. Winners are based on nominations received from affordable housing advocates throughout the state. Nominations in the categories below will be accepted until Friday, September 25, 2009, and can be submitted by using the online nomination form on KHC's Web site at [www.kyhousing.org](http://www.kyhousing.org). For more information about the awards, please contact Amanda Hermann toll-free in Kentucky at (800) 633-8896 or (502) 564-7630, extension 712; TTY 711; or e-mailing [ahermann@kyhousing.org](mailto:ahermann@kyhousing.org).

Affordable Housing Builder Award -- Presented to an organization or individual home builder who has made an outstanding contribution in the last year in the provision of affordable housing.

Dorothy Williams Lifetime Achievement Award -- Honors an individual who has devoted much of his or her career to helping make the dream of affordable housing for all a reality in Kentucky.

Homeownership Award -- Presented to an individual or organization who has exhibited innovative achievement in the last year in providing affordable homeownership solutions.

Mae Street Kidd Award -- Presented in 1992 to Mae Street Kidd, the former state representative who sponsored legislation in 1972 creating Kentucky Housing Corporation. The award is presented to an individual in public service who has made great strides in the last year in promoting affordable housing for the people he or she serves.

Nonprofit Organization Award -- Honors a nonprofit housing organization that has exhibited outstanding achievement in the last year in promoting and/or providing affordable housing.

### ***Sponsors***

"Kentucky Housing Corporation extends a special thank you again this year to Ohio Capital Corporation for Housing for serving as our conference sponsor promotion coordinator, as well as a titanium level sponsor," said Richard L. McQuady, KHC chief executive officer. Ohio Capital Corporation is an independent, mission-driven nonprofit corporation that works with private and public developers to create affordable housing opportunities.

McQuady said, "We could not host this conference without the support of all of our sponsors and participation by the exhibitors and attendees." Besides Ohio Capital, other sponsors, as of August 24, 2009, include at the Gold Level – Federal Home Loan Bank of Cincinnati; Silver Level – Bank of New York-Melton Trust Company N.A., Fifth Third Bank, Model Group, and PNC Bank; Bronze Level – BB&T, Community Ventures Corporation, Kentucky Association of Realtors, Kentucky Real Estate Commission, Miller-Valentine Group, National Equity Fund and LISC, NeighborWorks America, and U.S. Department of Agriculture; and Honorary – Community Affordable Housing Equity Corp., Kentucky Habitat for Humanity, Metropolitan Housing Coalition, and Wabuck Development.

### ***Exhibitors***

Exhibitors, as of August 24, 2009, include Applegate Insulation, BB&T, Community Ventures Corporation, Energy Raters, Federal Home Loan Bank of Cincinnati, Fifth Third Bank, Kentucky Association of Realtors, Kentucky Real Estate Commission, Miller-Valentine Group, Model Group, National Equity Fund and LISC, NeighborWorks America, Ohio Capital Corporation for Housing, PNC Bank, Rinnai America Corporation, University of Kentucky-Department of Agriculture, and U.S. Department of Agriculture.

### ***Registration***

Early registration for the conference is \$150 per person on or before Monday, September 28, which includes all official conference meals and activities. Beginning Tuesday, September 29, registration is \$200 per person. For more information about the conference or to register, visit [www.kyhousing.org](http://www.kyhousing.org) or contact KHC's Brenda Langan toll-free in Kentucky at (800) 633-8896 or (502) 564-7630, extension 490; TTY 711; or e-mail [blangan@kyhousing.org](mailto:blangan@kyhousing.org).



## **KHC Offers First Home Advantage to Home Buyers**

Governor Steve Beshear announced on April 22, 2009, a special initiative by Kentucky Housing Corporation (KHC) to offer up to \$4,500 for down payment and closing costs for first-time home buyers who obtain a KHC home loan. The program began on May 1, 2009 and continues through November 30, 2009.

The First Home Advantage Program provides a second mortgage with principal and interest payments deferred until July 1, 2010 for KHC-approved, first-time home buyers.

"The biggest barrier to homeownership is the ability to pay the upfront expenses, like down payment and closing costs, associated with home buying," said Governor Beshear. "The First Home Advantage Program helps first-time home buyers overcome this barrier and purchase a home."

The First Home Advantage Program offers a ten-year loan that defers payment with a zero percent interest rate until July 1, 2010. After the initial deferment period, the loan will fully amortize over ten years at the rate of 6 percent.

The American Recovery and Reinvestment Act of 2009, signed into law by President Barack Obama this past February 17, provides first-time home buyers with an \$8,000 tax credit. After purchasing their home, home buyers have the opportunity to file for the housing tax credit provided by the stimulus on their 2009 tax returns and use the tax credit for the repayment of the First Home Advantage Program loan to prevent paying any interest.

"We want to do everything we can to help Kentucky home buyers purchase homes," said Richard L. McQuady, chief executive officer of KHC. "The First Home Advantage Program allows home buyers to take advantage of every opportunity available to them in these difficult times."

As of August 20, 2009, since the start of the First Home Advantage Program the first day of May, 194 loans have been closed and 205 more are reserved, totaling \$1,666,325 in funds helping 399 households purchase homes. These loans add \$39,000,000 to KHC's total first mortgage production volume. For Kentuckians to qualify for this program, they must obtain a KHC first mortgage through a KHC-approved lender, be a first-time home buyer, meet KHC income and purchase price guidelines, and have a 620 minimum credit score.

For more information about First Home Advantage, contact Kentucky Housing Corporation's Homeownership Department at (800) 633-8896 or (502) 564-7630, extension 291, or TTY 711.



## KICH Reenergized, Web Site Boasts New Look

Neither rain, nor sleet, nor a snow and ice storm that shut down most of the state could stop the inaugural meeting of the Executive Committee of the Kentucky Interagency Council on Homelessness (KICH) in January 2009, which solidified KICH as the state's authority on homelessness. Even though weather conditions were disastrous for most people during this time, many cabinet secretaries, commissioners, and directors attended this meeting. State Senator Gerald A. Neal and State Representative Jesse Crenshaw were appointed to the KICH Executive Committee representing the Kentucky General Assembly, and Senator Neal was named chair of the Executive Committee.

Since then, KICH's focus has been on strengthening its Steering Committee and five standing policy subcommittees (housing, services, public will, data, and prevention). Gerry Roll, Community Foundation of Hazard-Perry County, was elected as the vice chair of KICH, which also designates her as chair of the Steering Committee.

To date, the five standing policy subcommittees have met and are currently working on several strategies. The following is a sampling of the current activities for each standing policy subcommittee.

**Services Subcommittee:** The Services Subcommittee was involved with the expansion of the SSI/SSDI Outreach, Access and Recovery (SOAR) initiative with Kentucky's Housing and Emergency Assistance Reaching The Homeless (KY HEARTH) Program from the American Recovery and Reinvestment Act of 2009. The group also leads the cause to include SOAR as an approved activity for the upcoming AmeriCorps program year. The subcommittee is in the process of developing a case management-training module to assist with the professional development of case managers who serve the homeless and is providing support on the development of a manual on homeless rights.

**Prevention Subcommittee:** The Prevention Subcommittee is working on comprehensive discharge plans and the availability of identification cards for persons exiting prison and those who are homeless. The subcommittee is reviewing procedures already in place in the federal prison system that can be duplicated in the state's prison system. The Prevention Subcommittee is working with the Department of Corrections on pre-release coordination and monitoring the progress on the Criminal Justice Reform report.

**Public Will Subcommittee:** The Public Will Subcommittee was very instrumental in the development of the Point-In-Time Count (PITC) resources provided by KHC, which included sample letters, press releases, and volunteer recruitment templates. Additionally, this subcommittee requested that KHC conduct a survey to further analyze the PITC data prior to the official release. It is through this process that the PITC report was developed to disseminate the information that was collected in both the survey and the actual count. The subcommittee is planning a hunger and homeless awareness event at the capitol in Frankfort on November 13, 2009, in coordination with National Hunger and Homelessness Awareness Week, November 15-21, 2009.

**Data Subcommittee:** The Data Subcommittee was reorganized to include the members of the Homeless Management Information System (HMIS) Advisory Committee. There is now only one committee working on data, including the collection of the data with the use of HMIS. This subcommittee is working closely with KHC HMIS staff on continuous improvements to HMIS, the development of standard report formats, and a Balance of State "Unmet Needs" pilot project.

**Housing Subcommittee:** The Housing Subcommittee was the last subcommittee established during 2009. The subcommittee is prioritizing the regional recommendations established by each Continuum of Care region in the state to help end homelessness and developing work plans to address them.

KICH continues to strengthen each of the policy subcommittees, including recruiting members who are committed to working on homeless strategies with multiple processes, partners, and levels. Additionally, KICH encourages participation through the use of teleconferencing capabilities and exploring other communication tools to enhance its viability throughout the Commonwealth.

In March 2009, at the request of the Steering Committee, an ad hoc committee was formed to present information to the Executive Committee. The membership of the ad hoc committee included both state government and service providers who prepared a very thorough presentation for the May 19, 2009 Executive Committee meeting. At that meeting, this ad hoc committee was made permanent.

The next steps in 2009 include approving *Kentucky's Ten-Year Plan to End Homelessness Update* and presenting the document to Governor Steve Beshear. KICH has been involved in meetings to discuss the availability of identification cards for improving the reentry process for prisoners and for providing identification to those who are homeless. The Steering Committee and policy subcommittees will continue to work on the solutions and strategies that were previously recommended. This will include the *Ten-Year Plan to End Homelessness Update*, follow-up information on regulatory barriers, as requested, and an executive summary comparing the Justice Reform Report and the *Ten-Year Plan* at the next Executive Committee meeting September 15, 2009.

One of the most recognizable changes in KICH's growth has been to the Homeless Web site, [www.kyhomeless.org](http://www.kyhomeless.org). This Web site and the homeless and support services part of KHC's Web site have both been reorganized so the information is easier to find. On KHC's Web site, the homeless and support services information has been moved so it is easily accessed through the main page. The information housed on KHC's Web site now pertains to KHC's homeless programs and events. The Homeless Web site now focuses on KICH and homeless issues. A calendar for KICH and other homelessness meetings and events has been added. Information explaining KICH and its role as a leader for ending homelessness in the state is also an important new addition to the site. KICH meeting minutes and copies of presentations are also now available for review at [www.kyhomeless.org](http://www.kyhomeless.org) to encourage further insight into Kentucky's homeless issues. Work is continuing to create Web sites and resources that benefit the partners who use this information.

During the last year, the focus of KICH members has been moved forward during 2009. Formulating solutions and strategies will be the focus in 2010. For more information about KICH, Kentucky's homeless problems, or to become a volunteer member on a KICH policy subcommittee, contact Kentucky Housing Corporation's KICH Staff Coordinator Melissa Benton toll-free in Kentucky at (800) 633-8896 or (502) 564-7630, extension 421; TTY 711; or e-mail [mbenton@kyhousing.org](mailto:mbenton@kyhousing.org).



## ARRA Brings New Programs to KHC

President Obama signed the American Recovery and Reinvestment Act (ARRA) of 2009 this past February 17. ARRA is estimated to bring over \$3 billion to Kentucky to modernize homes through weatherization, increase college affordability, improve infrastructure, and increase economic activity. In Kentucky alone, ARRA is expected to save or create 48,000 jobs in the next two years.

The affordable housing industry in Kentucky is also benefiting from ARRA. Kentucky has received approximately \$306 million to revitalize the affordable housing industry in the state. The money will fund several programs to assist the neediest of Kentuckians.

### **Weatherization Assistance Program**

Weatherization, according to Wikipedia, "is the practice of protecting a building and its interior from the elements, particularly from sunlight, precipitation, and wind, and of modifying a building to reduce energy consumption and optimize energy efficiency." The [Weatherization Assistance Program](#) conducts energy audits and evaluates a home's efficiency, then suggests measures to make the home warm in the winter, cool in the summer, and safe all of the time. Funds for this program were made available to each of Kentucky's 23 Community Action Agencies.

Households at or below 200 percent of the federal poverty level that have not received weatherization assistance since September 30, 1993, are eligible for weatherization services. The program focuses on families with children, the elderly, and the disabled. Kentuckians interested in receiving these services can contact their local Community Action Agency for eligibility intake.

For more information on the Weatherization Program, individuals can contact their [local Community Action Agency](#) or KHC's Weatherization Program Manager John Patrick "Pat" Flowers toll-free in Kentucky at (800) 633-8896 or (502) 564-7630, extension 335; TTY 711; or e-mail [jpflowers@kyhousing.org](mailto:jpflowers@kyhousing.org).

### **Neighborhood Stabilization Program**

[Neighborhood Stabilization Program](#) (NSP) provides assistance to state and local governments to acquire and redevelop foreclosed properties that might become sources of blight within the community. Kentucky's Department for Local Government serves as the lead contact for the program, and KHC provides administrative and technical assistance.

There are two parts to the program.

#### *NSP1*

Kentucky received funding for the first part of the program, [NSP1](#), through a federally funded formula grant. These funds were then awarded to subrecipients by a competitive application process. NSP1 is a five-year program. Each subrecipient is required to target its NSP assistance to specific areas with the highest rates of or risk of home foreclosures. Kentucky received \$37 million for NSP1.

#### *NSP2*

On July 17, 2009, the Commonwealth of Kentucky submitted an application for approximately \$65 million for funding under [NSP2](#). The primary purpose of NSP2 is to stabilize neighborhoods and communities that have been and continue to be damaged by the economic effects of properties that have been

foreclosed and abandoned. The funding from NSP2 will be allocated through a nationally competitive process.

For more information on NSP, contact Anne Chaney, NSP program manager for the Department for Local Government, at [anne.chaney@ky.gov](mailto:anne.chaney@ky.gov) or (502) 573-2382, extension 235.

### **Kentucky's Housing and Emergency Assistance Reaching The Homeless**

Kentucky received over \$18.5 million for the [Kentucky's Housing and Emergency Assistance Reaching The Homeless](#) (KY HEARTH) Program. The program is part of \$1.5 billion that was set aside nationally in ARRA for the Homelessness Prevention and Rapid Re-Housing Program. Lexington, Louisville, and Covington all received direct allocations of funding for the program. KHC administers the state's portion, which amounts to over \$12 million.

The program assists nonprofits or units of local government provide financial and other assistance to prevent individuals and families from becoming homeless and help those who are experiencing homelessness to be quickly re-housed.

The funding recipients were announced on August 27, 2009. A list is available on KHC's Web site. Individuals seeking assistance from KY HEARTH should contact a funding recipient after September 30, 2009.

For more information on KY HEARTH, contact KHC's Anne Colly Rose toll-free in Kentucky at (800) 633-8896 or (502) 564-7630, extension 259; TTY 711; or e-mail [arose@kyhousing.org](mailto:arose@kyhousing.org).

### **Tax Credit Assistance Program**

The Tax Credit Assistance Program (TCAP) provides direct funding assistance to eligible tax credit projects, which supplements qualifying affordable housing developments. KHC has received over \$31 million to allocate to projects that will further develop affordable rental housing for Kentuckians.

For more information about TCAP, contact KHC's Director of Housing Finance and Construction Tammy Stansbury toll-free in Kentucky at (800) 633-8896 or (502) 564-7630, extension 411; TTY 711; or e-mail [tstansbury@kyhousing.org](mailto:tstansbury@kyhousing.org).

### **Tax Credit Monetization Program**

Kentucky received \$85 million to fund the Tax Credit Monetization Program (Exchange Program). The Exchange Program permits states to substitute a cash grant to replace Housing Credits to supplement qualifying affordable housing developments. Similar to TCAP, the goal of the Exchange Program is to invigorate stalled housing development projects.

For more information about the Exchange Program, contact KHC's Director of Housing Finance and Construction Tammy Stansbury toll-free in Kentucky at (800) 633-8896 or (502) 564-7630, extension 411; TTY 711; or e-mail [tstansbury@kyhousing.org](mailto:tstansbury@kyhousing.org).

## **Reporting Requirements**

In addition to the positive effects these programs will have on the affordable housing industry in Kentucky, these programs also have significant reporting requirements to ensure the public receives as much information as possible about how and where ARRA dollars are being spent.

Funding recipients are required to report on the total amount of funds received, the amount spent on projects and activities, the status of projects or activities, details on sub-awards and other payments, and the impact on job creation or retention. This information is due no later than the 10th day after the end of each calendar quarter (beginning the quarter ending September 30, 2009). After a series of reviews, the reports will be available for the public on [www.recovery.gov](http://www.recovery.gov) no later than the 30th day after the end of that quarter.

Initial reports from funding recipients are due October 10, 2009, with the final reports being available by October 30, 2009. After the first round, reporting will be cumulative.



In addition to the federal [Web site](#) that provides information about ARRA, Kentucky also has an ARRA reporting Web site called Kentucky at Work, which can be accessed at <http://kentuckyatwork.ky.gov>.

“KHC is fully committed to the transparency efforts on both the federal and state level,” said KHC Chief Executive Officer Richard L. McQuady. “We have been working with both systems to ensure that reporting is completed accurately and timely.”



## **KHC Receives Funding for Homelessness Prevention and Housing Program**



On May 27, 2009, Governor Steve Beshear announced a new program to prevent people from becoming homeless and help those who are experiencing homelessness. The program, called Kentucky's Housing and Emergency Assistance Reaching The Homeless (KY HEARTH), is funded through the American Recovery and Reinvestment Act of 2009.

The funds will provide financial and other assistance to prevent individuals and families from becoming homeless and help those who are experiencing homelessness to be quickly re-housed.

"In the Kentucky 2009 Point-In-Time count of homeless individuals, almost 7,000 people outside of Lexington and Louisville did not have stable housing," said Richard L. McQuady, chief executive officer of Kentucky Housing Corporation. "KY HEARTH is one of only a handful of program that assists individuals, like these, who are on the brink of homelessness."

The results of a two-year study conducted by the Kent School of Social Work at the University of Louisville showed that it costs nearly \$89,000,000 during a two-year period to shelter and care for just over 7,000 single homeless adults. The study also showed that providing permanent housing to these individuals over the two-year period would have saved \$6,400,000. This study, and others like it, demonstrates that providing permanent, supportive housing is the best and most cost-effective way to solving homelessness.

Forty-seven projects (full list below) proposed by nonprofit agencies and local governments are receiving a total of \$11,607,352 from the KY HEARTH Program. Kentucky Housing Corporation will be conducting a KY HEARTH Implementation Training on Monday, September 21, 2009 in Frankfort. All 2009 KY HEARTH recipients are required to attend.

There are two populations facing housing instability eligible to receive funding under KY HEARTH: (1) individuals and families who are currently in housing but are at risk of becoming homeless and need temporary rent or utility assistance to prevent them from becoming homeless or assistance to move to another unit and (2) individuals and families who are experiencing homelessness (residing in emergency or transitional shelters or on the street) and need temporary assistance to obtain and retain housing.

Individuals and families who are homeless or at risk of becoming homeless must meet the following three requirements to receive KY HEARTH financial assistance or services.

- Household must be at or below 50 percent of area median income.
- Household must have no appropriate subsequent housing options identified and lack the financial resources and support networks needed to obtain immediate housing or remain in existing housing.
- Any individual or family receiving rental assistance must have at least an initial consultation with a case manager to determine need.

For more information about KHC's KY HEARTH Program, please contact Anne Colly Rose toll-free in Kentucky at (800) 633-8896 or (502) 564-7630, extension 259; TTY 711; or e-mail [arose@kyhousing.org](mailto:arose@kyhousing.org).

### 2009 KY HEARTH Program Funding Allocations

<b>Applicant</b>	<b>Approved Amount</b>
AIDS Volunteers, Inc. (AVOL) (BOS)	\$172,000
Appalachian Research and Defense Fund of KY, Inc. (AppalReD Legal Aid)	\$60,000
Barren River Area Safe Space, Inc.	\$495,000
Beattyville Housing and Development Corporation	\$113,000
Bell-Whitley Community Action Agency, Inc.	\$100,000
Big Sandy Area Community Action Program, Inc.	\$60,000
Blue Grass Community Action Partnership	\$470,000
Bluegrass Domestic Violence Program, Inc.	\$126,000
Central Kentucky Community Action Council, Inc.	\$455,000
Christian Social Services, Inc.	\$144,000
City of Ashland (for Safe Harbor, Shelter of Hope, CARES, and Salvation Army of Ashland)	\$436,000
Clark County Community Services	\$82,000
Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties (BOS)	\$474,000
Community Action Council for Lexington-Fayette, Bourbon, Harrison, and Nicholas Counties (Lexington)	\$151,000
Cumberland River Regional Mental Health Mental Retardation Board (RK)	\$82,000
Daniel Boone Community Action Agency, Inc.	\$323,000
Emergency Christian Ministries Homeless Shelter	\$32,000
Frankfort Resource Office for Social Ministries, Inc. (ROSM)	\$23,000
Gateway Homeless Coalition, Inc.	\$500,000
Gentry House	\$56,000
Green River Housing Corporation	\$139,352
Green River Ministries, Inc.	\$164,000
Harlan Countians for a Healthy Community	\$127,000
Hazard Perry County Community Ministries	\$419,000
Heartland CARES, Inc.	\$304,000
Hope Center (RK)	\$18,000
Jesus Community Center, Inc.	\$216,000
KCEOC Community Action Partnership	\$485,000
Kentuckiana Regional Planning and Development Agency	\$192,000
Kentucky Domestic Violence Association (KDVA)	\$788,000
Kentucky River Community Care, Inc.	\$222,000
Kentucky River Foothills Development Council, Inc. (Regular)	\$373,000
Kentucky River Foothills Development Council, Inc. (RK)	\$145,000
Lake Cumberland Regional MH/MR Board, Inc. dba The Adanta Group	\$274,000
LifeSkills, Inc. (SOAR)	\$171,000
Maysville Initiatives, Inc.	\$273,000
Northern Kentucky Area Development District	\$1,376,000

Pathways, Inc. (RK)	\$42,000
Pennyroyal Center, Inc. (Regular)	\$75,000
Pennyroyal Center, Inc. (RK)	\$35,000
People's Self-Help Housing, Inc.	\$354,000
Potentials, Inc.	\$192,000
The City of Richmond	\$441,000
The Salvation Army, A Georgia Corporation (Hopkinsville)	\$72,000
Welcome House of Northern Kentucky, Inc. (SOAR)	\$117,000
WestCare Kentucky Pikeville Emergency Homeless Shelter and Community Involvement Center	\$119,000
YMCA Safe Place Services	\$120,000
Total	\$11,607,352