

Requestor's name, title, and contact information:

Wendy K. Smith, Deputy Executive Director, Housing Programs
Kentucky Housing Corporation (KHC)
wsmith@kyhousing.org, mobile: 270-402-1478



Declared-disaster area(s) where the waivers will be used:

The entire Commonwealth of Kentucky
118 counties encompassing the Kentucky Balance of State Continuum of Care

Date grantee anticipates first use of the waiver flexibility: April 6, 2020

Waiver flexibilities Kentucky Housing Corporation will use

As the grantee for ESG, HOPWA, and 33 CoC grants, KHC plans to utilize the following waiver flexibilities as allowed by the [Availability of Waivers of Community Planning and Development \(CPD\) Grant Program and Consolidated Plan Requirements to Prevent the Spread of COVID-19 and Mitigate Economic Impacts Caused by COVID-19](#) memorandum issued by Assistant Secretary John Gibbs on March 31, 2020.

X	1. CoC Program - Fair Market Rent for Individual Units and Leasing Costs
X	2. CoC Program - Disability Documentation for Permanent Supportive Housing (PSH)
X	3. CoC Program – Limit on Eligible Housing Search and Counseling Services
X	4. CoC Program - Permanent Housing-Rapid Re-housing Monthly Case Management
X	5. CoC Program - Housing Quality Standards (HQS) – Initial Physical Inspection of Unit
X	6. CoC Program - HQS – Re-Inspection of Units
X	7. CoC Program – One-Year Lease Requirement
X	8. Consolidated Planning Requirements – HOME, CDBG, HTF, ESG, and HOPWA Programs – Citizen Participation Public Comment Period for Consolidated Plan Amendment
X	9. Consolidated Planning Requirements – HOME, CDBG, HTF, ESG, and HOPWA Programs – Citizen Participation Reasonable Notice and Opportunity to Comment
	10. ESG Program – HMIS Lead Activities
X	11. ESG Program - Re-evaluations for Homelessness Prevention Assistance
X	12. ESG Program - Housing Stability Case Management
X	13. ESG Program - Restriction of Rental Assistance to Units with Rent at or Below FMR
X	14. HOPWA Program – Self-Certification of Income and Credible Information on HIV Status
X	15. HOPWA Program – FMR Rent Standard
X	16. HOPWA Program – Property Standards for TBRA
X	17. HOPWA Program - Space and Security

To: Renee Ryles, CPD Division
Louisville HUD Field Office

From: Wendy K. Smith, Deputy Executive Director, Housing Programs
Kentucky Housing Corporation (KHC), (Kentucky's non entitlement PJ)
wsmith@kyhousing.org
mobile: 270-402-1478

Background on HOME Waivers Related to COVID-19

As the participating jurisdiction for Kentucky's non-entitlement HOME Investment Partnership Program, KHC plans to utilize a number of waiver flexibilities as allowed by the following memoranda issued by Assistant Secretary John Gibbs on April 10, 2020:

1. [Availability of Waivers and Suspensions of the HOME Program Requirements in Response to COVID -19 Pandemic.](#)
2. [Suspensions and Waivers to Facilitate Use of HOME-Assisted TBRA for Emergency and Short-term Assistance in Response to COVID-19 Pandemic.](#)

Per these memoranda, "A PJ that intends to implement the HOME statutory suspensions and/or regulatory waivers...must send written notification via e-mail to the CPD Division in its local HUD Field Office before it implements the waiver or suspension. This written notification must identify which suspensions and/or waivers the PJ plans to use."

This memo serves as KHC's notice to the Louisville HUD Field Office of the waivers KHC anticipates utilizing.

HOME Program Waivers & Suspensions KHC Plans to Utilize in response to COVID-19

Available to PJs in National Declared Disaster Areas

X	1. 10% Administration & Planning Cap PJ may expend up to 25% FY 2019 & FY 2020 HOME allocations and program income received for administrative and planning costs.
<i>No</i>	2. Suspension of CHDO Set-Aside Requirement
X	3. CHDO Operating Assistance A PJ may provide up to 10% of FY 2019 & FY 2020 HOME allocations as CHDO operating assistance, even if the amount exceeds the higher of \$50,000 or 50% of a CHDO's annual operating budget. PJs are not required to include a written agreement provision that the CHDO is expected to receive Set-Aside funds within 24 months of receiving the additional operating assistance. CHDOs may receive increased operating assistance through June 30, 2021.
<i>No</i>	4. Match Requirement

HOME Program Waivers & Suspensions KHC Plans to Utilize in response to COVID-19

Available to all PJs

X	<p>1. Citizen Participation Reasonable Notice and Opportunity to Comment PJs amending plans as a result of the COVID-19 may reduce the comment period to 5 days for any necessary substantial amendments to FY 2020 and earlier ConPlans or action plans.</p>
X	<p>2. Income Documentation Permits PJs to use self-certification of income, as provided at §92.203(a)(1)(ii), in lieu of source documentation to determine eligibility of persons requiring emergency assistance related to COVID-19. The waiver applies to households that have lost employment/income permanently or temporarily due to the COVID-19 pandemic and are applying for admission to a HOME rental unit or a HOME TBRA. PJs must arrange to conduct on-site rent and income reviews within 90 days after the waiver period. The PJ must include tenant income certifications in each project file. This waiver remains in effect through December 31, 2020.</p>
X	<p>3. On-Site Inspections of HOME-assisted Rental Housing This waiver extends the timeframe for PJs to perform ongoing periodic inspections and on-site reviews to determine a HOME rental project's compliance with property standards and rent and income requirements. The waiver is applicable to ongoing periodic inspections (does not waive the requirement to perform initial inspections of rental properties upon completion of construction/rehab). The waiver is in effect through December 31, 2020. Within 120 days of the end of waiver period, PJs must physically inspect units that would have been subject to ongoing inspections during the waiver period.</p>
X	<p>4. Annual Inspection of Occupied HOME TBRA Units Delays annual HQS inspections required to occur from April 10, 2020 through December 31, 2020. Within 120 days of the end of waiver period, PJs must inspect units that would have been subject to HQS inspections during the waiver period. PJs shall make reasonable efforts to address any tenant-reported health and safety issues during the waiver period.</p>
X	<p>5. Four-Year Project Completion Requirement Permits a PJ to request an extension of the deadline for up to one-year. This waiver applies to projects for which the 4-year project completion deadline will occur on or after April 10, 2020. The completion deadlines for covered projects are extended to December 31, 2020.</p>
X	<p>6. Nine-Month Deadline for Sale of Homebuyer Units This waiver applies to projects for which the 9-month homebuyer sale deadline occurs on or after April 10, 2020 and extends the deadline for those projects to December 31, 2020. This waiver does not apply to the remaining requirements of the regulation, including that a homebuyer must receive housing counseling, and that a PJ must determine eligibility of a family by including the income of all persons living in the housing.</p>
X	<p>7. Use of HOME Funds for Operating Reserves for Troubled HOME Projects The waiver applies to HOME-assisted rental projects currently within the period of affordability established in the HOME written agreement. PJs will not be required to obtain HUD approval or execute a memorandum of agreement with HUD before providing this assistance. PJs may only exercise this waiver authority when the project owner agrees to forego residual receipts, rights to pursue legal action against tenants for non-payment of rent/late fees, and adverse credit reporting against tenants of HOME assisted units, as further detailed the HUD memorandum. This waiver is effective through December 31, 2020.</p>

Waivers KHC Plans to Utilize to Facilitate use of HOME TBRA in response to COVID-19

Available to PJs in National Declared Disaster Areas

X	<p>1. Consolidated Plan – HOME Certification, Analysis of Local Market Conditions, and Citizen Participation This suspension eliminates: 1) requirement for PJs to amend their ConPlans to include/revise an analysis market conditions before implementing a TBRA program; and 2) the requirement that PJs certify that the use of HOME for TBRA is an essential element of the ConPlan. PJs may simply amend their Annual Action Plan to reflect the use of HOME for TBRA. This waiver is applicable to a PJ’s current 5-year ConPlan and any ConPlans/Action Plans being amended to reprogram funds to TBRA to address housing needs related to the COVID-19 pandemic.</p>
X	<p>2. Tenant Selection and Targeted Assistance Eliminates the need for PJs to develop/revise written tenant selection criteria and allows PJs to assist individuals requiring immediate housing assistance as a result of COVID-19. In effect through December 31, 2020, for TBRA provided in response to the COVID-19. However, a PJ must document its criteria for selecting individuals and families to be assisted by the TBRA program.</p>

Waivers KHC Plans to Utilize to Facilitate use of HOME TBRA in response to COVID-19

Available to all PJs

X	<p>1. Citizen Participation Reasonable Notice and Opportunity to Comment Permits PJs amending their plans as a result of the COVID-19 pandemic to reduce the comment period to 5 days. This waiver applies to any approved Annual Action Plan being amended to reprogram funds to TBRA to address housing needs related to the COVID-19 pandemic.</p>
X	<p>2. Rent Reasonableness Permits PJs to provide immediate rental assistance to individuals and families seeking housing and assist individuals and families that have housing but are experiencing reduced or lost wages, without requiring an assessment of rents charged for comparable unassisted rental units. Applicable to TBRA provided to households experiencing financial hardship because of a reduction or loss of income. Applicable through December 31, 2020, for TBRA provided in response to the COVID-19 pandemic. PJs using this waiver authority must execute a rental assistance contract with the owner or tenant.</p>
X	<p>3. Eligible Tenant-based Rental Assistance Costs & Maximum TBRA Subsidy This waiver will allow PJs to pay the full cost of monthly utilities in addition to rental assistance and security deposit payments for new and existing TBRA families affected by the COVID-19 pandemic. PJs may provide up to 100% subsidy for rent, security deposit payments, and utility bills paid by tenants affected by a reduction or loss of income from the COVID-19 pandemic. The waiver also eliminates the need for the PJ to establish utility allowances for different types and sizes of units for its TBRA program, which eliminates a significant administrative burden. This requirement is waived through December 31, 2020, for rental assistance provided in response to the COVID-19 pandemic. PJs using this waiver authority must execute a rental assistance contract with the owner or tenant for a term mutually agreed upon by all parties, but not to exceed the December 31, 2020, waiver period. The PJ may make utility payments directly to the tenant or utility company based on utility bills submitted for the assisted unit.</p>

X	<p>4. Term of Rental Assistance Contract Eliminates the requirement that the rental assistance contract must begin on the first day of the term of lease to assist tenants that are currently housed (including existing TBRA households) but have experienced sudden financial hardship as a result of the COVID-19 pandemic. Waiver applicable through December 31, 2020, for TBRA provided in response to the COVID-19 pandemic. PJs using this waiver authority must execute a rental assistance contract with the owner or tenant for a term mutually agreed upon by all parties, but not to exceed the December 31, 2020, waiver period.</p>
X	<p>5. Tenant Protections – Lease Permits PJs to assist individuals currently housed but facing financial hardship, where an executed lease is already in place. The requirement that a tenant assisted by TBRA have a lease that complies with the requirements of 24 CFR 92.253(a) & (b) is waived through December 31, 2020, for rental assistance provided to tenants already housed who have an executed lease. PJs are required to execute a rental assistance contract with the tenant for a term mutually agreed upon by all parties, but not to exceed the waiver period ending on December 31, 2020. PJs must still comply with all VAWA requirements.</p>
X	<p>6. Housing Quality Standards Permits PJs to rapidly house or assist households affected by COVID-19 without requiring an initial HQS inspection. This waiver is applicable to TBRA provided to tenant households experiencing financial hardship through December 31, 2020. The lead-safe housing requirements of 24 CFR part 35, subpart M, made applicable to units leased by recipients of HOME TBRA cannot be waived. Units built before 1978 must undergo visual evaluation and paint repair in accordance with 24 CFR Part 35, subpart M. PJs using this waiver authority must establish procedures to minimize the risk that tenants are in housing that does not meet HQS. Physical inspections must occur within 120 days of December 31, 2020.</p>
X	<p>7. Annual Inspection of Units Occupied by Recipients of HOME TBRA Waives the requirement that annual inspections be performed according to schedule. Applies to annual HQS re-inspections required to occur from April 10, 2020 through December 31, 2020. Within 120 days of December 31, 2020, PJs must physically inspect units that would have been subject to HQS inspections during the waiver period.</p>
X	<p>8. Income Determinations Permit PJs to obtain a written statement of the amount of the family’s anticipated annual income and household size, along with a certification that the information is complete and accurate (following 24 CFR 92.203(a)(1)(ii)) in lieu of reviewing source documentation. Applies to TBRA provided to households experiencing financial hardship through December 31, 2020. Tenant’s self-certification must indicate how the tenant’s financial situation has changed and must include all income, including any unemployment or emergency benefits received by the tenant. However, for purposes of a tenant’s self-certification, emergency tax relief (commonly referred to as stimulus payments) should not be included as an emergency benefit. The PJ must include tenant income certifications in each project file.</p>



In This Issue

Public Comment Period
Career Opportunities

Quick Links

[Website](#)

[COVID-19 Response](#)

[About Us](#)



Public Comment Period

The amended 2015-2019 Consolidated Plan and amended 2019 Annual Action Plan is available for public comment Monday, May 11, 2020, through Tuesday, May 19, 2020.

Kentucky has amended the 2015-2019 Consolidated Plan and 2019 Annual Action Plan and is receiving written comments to obtain public input. Written comments will be accepted, and where applicable, will be incorporated into the document.

The Consolidated Plan is the Commonwealth's application and distribution plan for the U.S. Department of Housing and Urban Development, Office of Community Planning and Development Programs (CDBG, ESG, HTF, HOME, and HOPWA). Kentucky Housing Corporation (KHC) and the Department for Local Government (DLG) are the agencies responsible for submission of the plan to HUD.

KHC and DLG recently received additional funding allocations through the CARES Act for CDBG, ESG, and HOPWA, necessitating amendments to planning documents.

The amended 2015-2019 Consolidated Plan and 2019 Annual Action Plan are available for review on [KHC's website](#). Please send written comments by email to corpplanreport@kyhousing.org.

Equal Housing and Equal Employment Opportunity



Career Opportunities

KHC has the following positions available. Join us in helping Kentuckians find safe, quality, affordable housing!

Continuum of Care (CoC) Systems Specialist

Housing Contract Administration

Salary Range: \$50,133 - \$62,666

Please respond no later than **Thursday, May 14, 2020**.

Assistant Controller

Accounting

Salary Range: \$57,653 - 72,066

Please respond no later than **Thursday, May 14, 2020**.

Full details are available on [KHC's website](#), under About, Careers, [Job Opportunities](#).

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Kentucky Housing Corporation prohibits discrimination on the basis of race; color; religion; sex; national origin; sexual orientation; gender identity; ancestry; age; genetic information; disability; or marital, familial, or veteran status.

If you are already subscribed to KHC eGrams and need to update your preferences, please click on the "Update Profile" link at the bottom of every eGram.

To sign up for an eGram list, please visit [KHC's website](#) and click on the eGram icon under Quick Links, or click on the "envelope" at the top of each page on KHC's website.

From: [Mike Hynes](#)
To: [CorpPlanReport](#)
Subject: Consolidated Plan Amendment Comments
Date: Thursday, May 14, 2020 2:56:51 PM
Attachments: [Hynes,-Mike-revised-email-signature-01062020.png](#)

Please accept this communication as comments to the amendment to the Consolidated Plan.

Relative to the additional funding provided through the CARES Act, in particular the CDBG-CV, this funding should be dedicated to the provision of gap financing for affordable housing developments which have already been funded through KHC's tax-exempt bond program with a particular emphasis on projects where the nature is such that renovations are planned to be completed on properties where residents are in place. Additional costs are being incurred on these developments in order to ensure the safety of both the residents and the workers completing the renovations and this funding would greatly assist in that regard.

Further, all of these additional funds should be made available statewide, regardless of whether the applicant / project lies within the boundaries of another Participating Jurisdiction.

Thank you.

Mike A. Hynes, CPA, CCIM
Chief Executive Officer - Broker



 859-977-6915
 859-276-5388  859-212-6199
 mhynes@winterwoodonline.com
 winterwoodonline.com

We are hiring! Check out Winterwood career opportunities [here](#)

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From: [Zach Worsham](#)
To: [CorpPlanReport](#)
Subject: Consolidated Plan Amendment Comments
Date: Friday, May 15, 2020 10:12:25 AM
Attachments: [Worsham,-Zach-revised-email-signature.png](#)

Please see comments below in regards to the amendment to the consolidated plan:

- The additional CDBG dollars should be made available to finance affordable housing projects approved through Kentucky Housings Tax Exempt Bond Program. As a direct impact of the COVID-19 outbreak the 4% LIHTC rate has dropped to 3.08% leaving many tax exempt bond programs with a gap in financing due to reduced equity.
- These additional funds should be made available to all communities including Participating Jurisdictions.

Best,

Zach Worsham
Chief Operating Officer



 859-977-6910
 859-276-5388  859-212-6699
 zworsham@winterwoodonline.com
 winterwoodonline.com

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From: [Steven Kersey](#)
To: [CorpPlanReport](#)
Subject: CDBG Funding
Date: Friday, May 15, 2020 4:49:44 PM

Dear Sirs:

I write to encourage the DLG to consider two points for the use of the CDBG funds allocated for KY as part of the CARES Act:

- That a portion of the CDBG dollars can be used as gap financing for projects funded through Kentucky Housings Tax-Exempt Bond programs.
- That DLG lift their restriction on funding projects in Participating Jurisdictions, so they can be deployed for projects in those jurisdictions

Best,
SK

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KERSEY AND KERSEY | **ARCHITECTS**

Steven Kersey, AIA

LOUISVILLE KENTUCKY OFFICE
839 East Gray Street
Louisville, KY 40204
Tel 502-583-0094

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9307 West 1000 North
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Email: skersey@kerseyandkersey.com

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From: [Steven Kersey](#)
To: [CorpPlanReport](#)
Subject: CDBG Funding and comment period
Date: Saturday, May 16, 2020 2:10:40 PM

Dear Sir/Madam:

I understand that the KHC and DLG are considering comments with respect to the CDBG funding through the CARES Act.

I offer two comments for consideration::

- A portion of the CDBG dollars should be used as gap financing for projects funded through Kentucky Housings Tax-Exempt Bond programs.
- That DLG lift their restriction on funding projects in Participating Jurisdictions and allow applications for projects in Lexington and elsewhere.

Best,
Steven Kersey

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KERSEY AND KERSEY | ARCHITECTS

Steven Kersey, AIA

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839 East Gray Street
Louisville, KY 40204
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Please consider the environment before printing this e-mail

From: [Cassie Hudson](#)
To: [CorpPlanReport](#)
Subject: Public Comments
Date: Tuesday, May 19, 2020 12:18:50 PM

1. Seems that the focus in the housing program areas is for multi-family preservation. If you live in an rural area that does not have a large existing affordable rental housing stock, then this funding would not help in housing. If housing is a priority, please include all aspects of housing which include rehab, new construction for both homeowner and rental activities.

2. For most City and County governments, Public Facilities is their largest need and concern. With the threshold requirement only allowing City and County governments to apply for one application, most of them will apply for Public Facilities and this eliminates applying CDBG for housing. During this pandemic, it would be helpful for City and County governments to be able to apply for more than one application. Even though Public Facilities (Water/Sewer) are a need, housing in rural areas are also greatly needed. Housing need assessments document that substandard housing exist mostly in rural areas. CDBG Housing is just much as a need as CDBG Public Facilities.

*Cassie Hudson
Partnership Housing Executive Director
PO Box 997 Booneville, KY 41314
Phone (606) 593-7296
Fax (606) 593-7781
cassie.hudson@ymail.com*



May 18, 2020

Ms. Erica Abrams Yan
Corporation Planning and Accountability Department
Kentucky Housing Corporation
1231 Louisville Road
Frankfort, KY 40601

RE: 2020-2024 Consolidated Action Plan Comments
Email to CorpPlanReport@kyhousing.org

Fahe appreciates Kentucky Housing Corporation and the Department for Local Government providing the opportunity to submit comments for the Amended 5 Year Consolidated Plan for 2015-2019 and the 2019 Action Plan. I would like to share several comments on behalf of Fahe based on our 16 nonprofit Members and our shared work in Appalachian counties.

The information identifies spending the CARES Act funding initial allocation through regular channels: CDBG-CV (\$15.6M), ESG-CV (\$8.8M) and HOPWA-CV (\$129,762). CDBG expanded the description of Public Services (including but not limited to those concerned with employment, crime prevention, childcare, health, drug abuse and education). ESG-CV has modified the description for additional rental assistance. KHC and DLG have the ability to increase existing grantee's amounts and the ability to put the funding out for additional applications. CDBG has an open window for applications and there will be the opportunity to apply for public serves under the new description.

Please consider our comments to the proposed amendment below:

- 1) CDBG Housing program area received 12% of the CDBG initial allocation in the 2019 Action Plan, but received less than 12% allocation of the CDBG-CV. The Housing program area is an opportunity to address direct impacts of COVID-19 particularly with rehab assistance for homeowners. The request would be to allocate additional funds for housing activity. With the relationship between affordable housing non-profits and local governments, the existing partnerships would enhance housing activity as a COVID-19 response.
- 2) CDBG Housing Program Area is an effective resource for both homeowners and renters and new construction and rehabilitation activities should be

considered as priorities as well as the preservation of multi-family housing units, particularly those with rental assistance.

- 3) CDBG requires a jurisdiction must choose a Public Facilities (water/sewer), Housing, or Community Project application as there is a threshold for one application per jurisdiction. During this pandemic, it would seem helpful to have the ability to apply for funding in more than one of these identified program areas based on need. We would ask that this threshold factor be reviewed and modified. For rural communities, water and sewer projects are so very important to local governments that housing projects are not applied for; however, housing needs assessments document the substandard housing that exists in particular in rural communities. As there are additional CDBG-CV funds being made available in all the program areas as a response to COVID-19, it would benefit communities that have high priority needs to modify the threshold factors to favor submission of more than one application per jurisdiction. It is appreciated that additional submissions for Public Services and Economic Development are acceptable.
- 4) CDBG Public Services program area should include the use of these funds for housing payments for up to three consecutive months for either rent or mortgage payments as per the CDBG regs. With HUD lifting the cap for CDBG in the public services program area during the COVID-19 pandemic, it would be helpful to include the housing payments as an expanded use of these funds as we are unsure of the ongoing effects on communities – across the housing spectrum including tenants, landlords, housing and service providers – during the pandemic. With housing non-profits' relationships with local governments, there is an opportunity to utilize these funds in a targeted manner for the Commonwealth's lower-income, and most at-risk, families with housing assistance resources that can assist families to keep their affordable housing – be it rental or homeownership. These lower income families are most likely to suffer income disruptions during COVID-19 and the opportunity to assist those families with rental or mortgage assistance could be invaluable to the housing situation of those families. Local Governments working with housing providers could assure the compliance of providing the assistance to those households that are in need.
- 5) The proposed amendment to the Action Plan does not change the matching fund requirements. In a time such as this when every community has lost substantial tax revenue, meeting a match requirement for a needed grant will be difficult if not impossible. Please consider removing or, at a minimum, reducing the match requirements for applicants. These present an unnecessary barrier in these fiscally difficult times for all cities and counties.

Thank you for your consideration of our comments. It is much appreciated that Kentucky has the proposed Amended Action Plan and 5 Yr. Con Plan out for comment as it is important to have the CV funds available, and other CARES Act funding, for the citizens of the Commonwealth that need assistance and particularly during the effects of the COVID-19 pandemic.

If you have any questions, please do not hesitate to call.

Sincerely,

A handwritten signature in cursive script that reads "Vonda Poynter". The letters are fluid and connected, with a prominent loop on the letter 'P'.

Vonda Poynter
SVP of Membership

From: [Scott McReynolds](#)
To: [CorpPlanReport](#)
Subject: Comments on Amended 2015-2019 Consolidated Plan and amended 2019 Annual Action Plan
Date: Tuesday, May 19, 2020 5:19:09 PM
Attachments: [image002.png](#)

Dear Sir or Madam,

Thank you for the opportunity to comment on the amended 2015-2019 Consolidated Plan and amended 2019 Annual Action Plan. As the director of the housing nonprofit serving 4 of the poorest counties in the state, I wish to make the following comments:

1. Although there are established priorities in housing program areas for multi-family housing preservation, given the additional funding as well as the needs created by COVID-19 please include other housing as a priority including home rehabilitation, new construction for both homeowner activity and rental activity.
2. Housing activities initially received 12% of the CDBG allocation, but received less significantly less than 12% of the additional allocation of the CDBG-CV. The Housing program area is an opportunity to address direct impacts of COVID-19 particularly with rehab assistance for homeowners. The Housing activity allocation should be increased.
3. For CDBG a jurisdiction must choose a Public Facilities (water/sewer), Housing, or Community Project application as a threshold for one application per jurisdiction. During this pandemic, the ability to apply for funding in more than one of these identified program areas based on need would help rural communities respond to the needs created by COVID-19. Therefore, the threshold factors should be reviewed and modified to allow this. For rural communities, water and sewer projects are so very important to local governments that housing projects are often not applied for; however, housing needs assessments document the substandard housing that exists in particular in rural communities. As there are additional CDBG-CV funds being made available in all the program areas as a response to COVID-19, it would benefit communities that have high priority needs to modify the threshold factors to favor submission of more applications.
4. CDBG Public Services should include the use of these funds for housing payments for up to three consecutive months for either rent or mortgage payments as per the CDBG regulations. With HUD lifting the 30% cap for CDBG in the public services program area during the COVID-19 pandemic, it would be helpful to include the housing payments as an expanded use of these funds as we are unsure of the ongoing effects on communities – including tenants, landlords, housing and service providers – during the pandemic. With housing non-profits' relationships with local governments, there is an opportunity to utilize these funds in a targeted manner for the Commonwealth's lower-income, and most at-risk, families with housing assistance resources that can assist families to keep their affordable housing – be it rental or homeownership.

5. There are no changes in the proposed Amendment regarding matching requirements. Most cities and counties are not going to have funds for the Priority One rating which includes matching funds in most if not all program areas. Communities are losing tax revenue due to business interruptions, so any match requirement would be difficult. We are asking that consideration be given to removing the match requirements for applications under present Covid-19 circumstances.

6.

Thank you for the opportunity to make comment on these amended plans.

SCOTT MCREYNOLDS | 606•436•0497 | www.HDAHome.org

Housing Development Alliance

Executive Director, NMLS #165507

Cell: 606-438-0530

Building Homes, Building Communities.



From: [Tom Manning-Beavin](#)
To: [CorpPlanReport](#)
Subject: comments on Proposed Amendment to the KY Consolidated Plan and 2019 Action Plan
Date: Tuesday, May 19, 2020 5:26:31 PM

Dear KHC staff and others responsible for utilization of the funds made available in the CARES Act:

I am writing today to comment on the Proposed Amendment to Kentucky's Consolidated Plan and the 2019 Action Plan, to address the use of funding made available in the 2020 CARES Act.

Please include owner-occupied rehab, as well as new construction for both homeowner activity and rental in the Amended Plan. Please also be sure to allocation CDBG-CV funds to all housing activities at a rate that at least matches the original allocation rate for CDBG funding (which was 12%). Allocating fewer dollars to housing activities on a pro rata basis hurts the members of our communities that are most in need.

Also, when using CDBG funds, a jurisdiction can only have one Public Facilities (water/sewer), Housing, or Community Project application open at a time. During this pandemic, it help to have the ability to apply for funding in more than one of these identified program areas based on need. The limitation of having only one of these projects open at a time means that rural communities must choose between safe water and decent, sanitary housing, when in actuality both are critical to a healthy community. Our rural communities shouldn't have to choose one or the other, particularly during this pandemic.

In addition, Kentucky should allow housing payments for up to three consecutive months for either rent or mortgage payments, as per the CDBG regulations, to be an eligible use of CDBG Pubic Services funds. With HUD lifting the 30% cap for CDBG in the public services program area during the COVID 19 pandemic, it would be helpful to include the housing payments as an expanded use of these funds, because of the uncertainty related to the ongoing and long-term economic effects the pandemic will have on communities – including tenants, landlords, housing and service providers. With housing non-profits' relationships with local governments, there is an opportunity to utilize these funds in a targeted manner for the Commonwealth's lower-income, and most at-risk, families with housing assistance resources that can assist families to keep their affordable housing – be it rental or homeownership.

Lastly, I encourage Kentucky to change the matching requirements. Most cities and counties are not going to have funds for the Priority One rating which includes matching funds in most if not all program areas. Communities are losing tax revenue due to business interruptions, so any match requirement would be difficult. We are asking that consideration be given to removing the match requirements for applications under present Covid-19 circumstances.

Thank you for your consideration of these comments.

Best wishes,
Tom Manning-Beavin

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Consultation, Citizen Participation, Public Comments, and Surveys

February 10, 2015 Consolidated Plan, PHA Plan and AI Public Hearing

The public hearing was held at KHC's offices on February 10, 2015 and was advertised in advance via newspaper and eGram service. Twenty-seven persons attended, including 14 KHC staff members and 13 persons representing the public

The public hearing was opened by J. Kathryn Peters, executive director of Kentucky Housing Corporation. Ms. Peters welcomed all in attendance and asked that everyone sign the attendance roster, indicating if they wished to speak. All persons on the agenda for the hearing introduced themselves.

Stacie Sutton, managing director of tenant assistance programs at KHC presented the five-year PHA plan, followed by Karen Quinn, assistant general counsel at KHC, who presented the current Analysis of Impediments to Fair Housing Choice.

Bernie Hillman, policy analyst and grant developer at KHC, discussed the Consolidated Plan process, timelines, and encouraged those in attendance to provide data and comments. In addition, Ms. Hillman noted that the early draft versions of the Needs Assessment and Market Analysis sections, were available on KHC's Web site as well as two active needs surveys. The partner survey is focused on obtaining information from those entities that assist clients in the same socio-economic groups that are eligible for housing and services assistance from KHC's programs as well as other agencies who are interested in coordination of programs. The second survey is focused on obtaining information from the citizens of Kentucky and is available as a direct link and in pdf file form. Partners are encouraged to provide the citizen survey to their clients.

Lynn Littrell, manager of the office of grants with the Department for Local Government, presented information on the CDBG program, including a discussion of CERF and advised that the Section 108 program is still available.

Davey King, managing director of Housing Contract Administration with KHC, discussed the HOME program, including that funding has been drastically reduced over the past few years. Because KHC is discussing how to allocate the limited resources among activities, it is important that partner agencies provide feedback.

Jill House, program specialist with KHC, presented information on the ESG program. Ms. House stated that there will be a continued emphasis on rapid rehousing and that the funding round for ESG would be soon. There is expected to be no significant changes to ESG for the coming fiscal year.

Heather Harvey, program specialist with KHC, presented information on the HOPWA program. Ms. Harvey stated that HOPWA is funded on a three-year continuation cycle and that the program is currently in the second year of this cycle. The program is expected to change this year to allow short-term housing assistance which can be used to pay for hotel and motel vouchers.

Mary O'Dougherty with the Kentucky Commission Against Domestic Violence (KCADV) spoke in support of KHC continuing to fund the HOME TBRA program, stating that the program is vital in serving families, and allows them to assist those not eligible for a Housing Choice Voucher. Many DV agencies use TBRA as a lynchpin to provide housing when the agency provides supportive services to those with special needs. In a time when the state needs more supportive housing, eliminating TBRA will reduce the number of persons served.

Myralee Smith-Cowley with the Federation of Appalachian Housing Enterprises (FAHE) expressed concern for continued funding for Community Housing Development Organizations (CHDOs). Ms. Cowley stated that CHDO funding allows for increase in capacity, which in turn allows CHDOs to access additional funding. She also urged KHC to coordinate HOME funding with other initiatives serving Appalachia, including SOAR and Promise Zones, including providing additional scoring points for applications serving these areas. Lynn Littrell commented that the CDBG application includes Promise Zones, although there are no points associated, rather applications receive priority and special consideration. Rob Ellis noted that KHC supports SOAR, but may not be able to with HOME funds.

Curtis Stauffer with the Housing and Homeless Coalition of Kentucky (HHCK) provided comment on many items. Mr. Stauffer lauded the job that KHC staff did on the Analysis of Impediments to Fair Housing Choice, including the inclusion of attainable goals. The implementation of the Uniform Landlord Tenant Act statewide was introduced to the state legislature and HHCK is actively working in support of this bill. He also spoke about development capacity, especially non-profit CHDO developers who may not have the capacity to undertake large projects, but who are focused on single family homeownership. Affordable rental housing is a great need, and if CDBG and HOME funds can be used to increase capacity building for non-profit developers who can provide affordable rental housing in certain communities, it would be welcome. Mr. Stauffer was troubled that the initial HOME program application guidelines this year are restricted to applicants who received funding in prior years and felt it was a disincentive for innovation and the development of new partnerships and would hinder development of capacity among other negative effects. He urged DLG to explore using CDBG funds to provide technical assistance and capacity building to designating Community Based Development Organizations (CDBOs) and would like to see it used in conjunction with HOME funding to develop capacity. Mr. Stauffer made mention of the new Housing Trust Fund and how that funding, when it comes, will be used for rental housing for the lowest income households, and would give the flexibility to continue HOME TBRA. He stated that HOME TBRA is one of the few resources available to house homeless persons who are not designated as chronically homeless or disabled – the population that is the focus of CoC funding.

Michael Kociolek with Next Step Network provided comment on the interests of owners of manufactured housing, stating that housing policy in Kentucky must address the needs of this population segment, as it is a critical housing resource in the nation's most impoverished regions and for many low-income homeowners and elderly persons. In rural, high poverty areas, it may be the only viable housing option. Next Step urged that manufactured housing be recognized as an important source of unsubsidized housing and that data in the plan differentiate between manufactured housing and boats and RVs. Next Step also requests that the state direct resources in the plan toward policy that supports manufactured housing and manufactured homeowners, including directing HOME and CDBG funds toward replacement of pre-HUD code mobile home replacement. In addition, it was recommended that KHC contribute to both in-kind and financial resources toward the Central Appalachian Mobile Home Research Coalition being led by FAHE and Next Step.

Scott McReynolds with the Housing Development Alliance spoke about the importance of continuing to build CHDO capacity, stating that existing nonprofits are fearful of being able to continue to provide housing. There is a huge need for homeownership and homeowner rehab although they acknowledge that rental preservation is also a need. Mr. McReynolds urged the CDBG program to fund housing in Promise Zones, by providing water and sewer infrastructure first. He stated there is a crisis between the short-term and long-term needs if we don't build new housing to solve the problem. He stated that Census data is good at determining cost burden, but bad at determining actual housing condition. The Census asks questions that drastically understate the number of

substandard housing units. Based on his data, there are 7,900 substandard housing units in his service area and 130,000 in Appalachian Kentucky. Homeownership is a high priority for the families in his area – they buy a manufactured home so they can be a homeowner. One-fourth of manufactured housing originations in Kentucky are in his area. Half of those loan originations are likely to be turned down and 19 percent of loans are high-cost loans. Homeownership is needed in his area. Mr. McReynolds summed up his request by stating that 300,000 persons in Appalachian Kentucky live in poverty – pay attention to them. With 500,000 households with incomes less than \$25,000 per year, it is very difficult to house them.

Tom Manning-Beavin with Kentucky Highlands Investment Corporation echoed Mr. McReynolds' comments. The housing crisis in Appalachia is difficult to tackle. Homeownership in rural areas is critical culturally and it's scalable more often than multifamily housing. In rural areas, it is easier to manage a 15-unit project than a 150-unit project. In addition, a lot of people who are renters could be homeowners. Homeownership creates a positive economic impact in communities. USDA programs, including the 502 direct loan program, are valuable to housing – however, some programs still require HOME subsidy to make them work. There exists a gap between the appraised value of property and the cost to develop which must be filled. There also continues to be a growing waiting list of those in need. Mr. Manning-Beavin also urged KHC to continue CHDO operating support as existing housing knowledge is in danger of being lost. CHDOs can be the lynchpin that makes things happen in communities.

Blake Enlow with COAP spoke about retaining capacity, stating that staff with his organization are energy experts, BPE and HERZ-certified, and they have created capacity at nonprofits in partnership with KHC and FAHE. He explained that it is hard to develop affordable rental housing in rural areas, especially those serving lower incomes as they do not meet the debt-to-income ratio. Families in rural areas want to stay where they live now and they want to be homeowners. It is less expensive to create single family homes and he believes there must be an emphasis on purchase and rehabilitation of homes. This activity can house persons of lower incomes, and also creates a tax base. Mr. Enlow stated that it is hard to re-establish capacity if nonprofits go away.

Consultation and Comments

During the drafting period for the Consolidated Plan, many emails and letters were received in addition to comments made at the public hearing. Comments were also received in response to a presentation of the Consolidated Planning process at a meeting of the Housing Policy Advisory Committee.

Wilma Kelly with Beattyville Housing and Development Corporation submitted comments in support of the HOME TBRA program as well as asking for funding to operate homeless shelters. Ms. Kelly stated that ESG funding is very competitive and the likelihood of receiving funding is slim. She also stated that they have at least 30 clients on their waiting list for homeowner rehabilitation and it continues to be a high need in her area.

David Kreher with People's Self-Help Housing submitted written comments in support of the TBRA program during the drafting phase and written public comment period for the Consolidated Plan.

Letters and comments in support of the TBRA program and providing needs information during the drafting phase of the Consolidated Plan include:

- Kentucky Coalition Against Domestic Violence
- Lexington-Fayette Urban County Government Office of Homeless Prevention
- Kentucky River Community Care

- Neighborhood Construction and Housing Services
- Community Action Council for Lexington-Fayette, Bourbon, Harrison and Nicholas Counties
- Safe Harbor of Northeast Kentucky
- Mountain Comprehensive Care Center
- Individual letters from five persons served by the TBRA program in eastern Kentucky
- Kentucky Equal Justice Center
- Adanta
- Green House17
- FAHE
- Women’s Crisis Center Buffalo Trace
- Gateway Community Action
- Irwin Cutler, Louisville
- DOVES of Gateway
- LKLP Safe House
- Family Life Abuse Center
- Daniel Boone Community Action Agency
- New Beginnings, Bluegrass, Inc.
- Hope’s Wings Domestic Violence Program
- Merryman House Domestic Crisis Center
- Hazard Perry County Community Ministries, Inc.
- OASIS, Inc.
- Sandy Valley Abuse Center

Surveys

During the drafting phase of the Consolidated Plan, both KHC and DLG provided the opportunity for citizen participation and agency/government input through online surveys. DLG received more than 200 responses to the CDBG survey, while KHC’s partner and citizen surveys received fewer responses.

The Citizen Survey received 68 responses. Most respondents were households without children (34%), non-elderly households (78%), and were homeowners (75%) living in single family detached homes (74%). Those who didn’t own their home cited lack of down payment funds (75%), poor credit (50%), and unstable employment (38%) as the top reasons delaying them from purchasing a home. Eighty-five percent of those polled did not have difficulty making their rent or mortgage payment, while 15 percent did, with 6 percent stating they were currently in default of their mortgage or rent payments. Twenty percent stated that the cost of their rent or mortgage payments affected their ability to pay for other personal or household expenses.

When asked about their satisfaction level with their current housing, 39 percent were very satisfied, 44 percent were satisfied but thought there were things that could improve their housing, and 17 percent were not satisfied with their housing. The top housing issues that respondents would change in order to improve their satisfaction are: condition of the home, size of the home, lack of public transportation, lack of quality jobs, community amenities, and privacy.

Nineteen percent of respondents stated that there was a person in their household with special needs, with the highest disability rate being hearing impairment. Several also listed physical mobility problems.

When asked about whether certain types of housing and assistance were needed in their communities, the highest-ranked answers were: energy efficiency improvements (97%), shelters and services for the homeless (89%), help with rent payments (88%), housing for the elderly (85%), emergency housing repairs (86%), handicapped accessibility (86%), and down payment and closing cost assistance (86%). Comments submitted by respondents included concern about the poor condition of owner-occupied housing and lack of affordable rental housing and tenant-based rental assistance.

KHC’s partner survey garnered only 32 responses although it was widely promoted. While there didn’t seem to be a high response rate to the survey, many partners were actively engaged during the planning process by attending the preservation summit, committee meetings, and the public hearing. Many written comments were received during the months-long planning and drafting process. Respondents to the written survey included nearly every group outlined in the Consolidated Plan consultation guidance:

Housing Developer – 17	Services – Homeless – 9	Services – Elderly Persons – 7	Services – Children – 6
Services – Persons with Disabilities – 5	Services – Education – 5	Services – Fair Housing – 4	Services – Victims of Domestic Violence – 3
Services – Employment – 3	State Government – 3	Local Government – 3	Neighborhood Organization – 2
Community Development Financial Institution - 1	Public Housing Agency – 1	Services – Persons with AIDS – 1	Services – Health – 1
Federal Government – 1	Regional Organization – 1	Business Leaders – 1	Civic Leaders – 1

Many of those who responded were statewide organizations, and many areas of the state were represented by survey responses. When asked about the top three affordable housing activities that should be prioritized to address the most critical needs of households in Kentucky, the prevailing theme included energy efficiency, affordable rental housing/rental assistance, and preservation/rehab of both rental and homeowner housing. When asked about housing cost burden and its rank as compared to other housing problems, 27 percent felt that housing cost burden is the single most important issue, 47 percent believe housing cost burden is a problem, but the condition of housing is a greater problem, and 27 percent felt that the greater issues are that persons are not ready to own a home, accessibility for the aging population is a need, substandard housing is uninsurable or there are high insurance costs and energy costs, and the lack of affordable housing contributes to housing cost burden.

Partners stated that their overall funding has decreased (as has the state’s), while the number of clients they are serving has increased over the past few years. Government loans and grants are their top source of funding. The top categories of assistance provided by respondents were rental assistance, homeless services, and counseling/other services (77%); and home purchase, home rehab, and homeless prevention (69%).

Partners were asked to rank the highest rental activity need in their area and the overwhelming highest need was rental assistance (71%). Partners were asked to rank the highest homeowner activity in their area and the

highest need was pre-purchase counseling and education (64%). Partners were asked to rate the need for single family rehab activities and the highest need noted was emergency repairs (71%). When asked to rank the need for homeless services, partners listed supportive services (57%) and prevention/rapid rehousing (50%) as highest needs. When asked to rank the need for activities to serve persons with special needs or HIV/AIDS in their areas, they ranked housing for persons with alcohol/drug addiction (69%) and housing for persons with disabilities (62%) as the highest needs.

DLG undertook a survey of local governments and received 268 responses. Community needs were prioritized in this order: economic development (57%), housing (16%), public facilities (16%), and other community projects (11%). The highest infrastructure need was road and sidewalk improvements (79%). The highest community project needs were youth activity facilities (55%) and park and recreation facilities (50%). The highest economic development needs were job creation (78%) and infrastructure (58%). The greatest obstacles to addressing needs were lack of funding, jobs, and infrastructure.

Written Comments During 30-Day Comment Period:

David Kreher with People's Self-Help Housing and Tom Manning-Beavin with Southern Tier Housing Corporation and Kentucky Highlands Investment Corporation provided written comments during the 30-day comment period.

Mr. Kreher commended KHC's extra effort to gather statewide input from a wide range of organizations over the past several months. He also raised concerns about KHC's recent focus on preservation and was relieved to see that funding for programs over the next five years as outlined in the plan remains consistent. Mr. Kreher also provided support for the HOME TBRA program, stating that as funding decreases, TBRA becomes more important for tenants. It also guarantees landlords who serve the lowest income populations will receive guaranteed rent as long as the housing continues to meet HQS requirements. TBRA assists families at the lowest income levels and assists those who may not qualify for a Housing Choice Voucher. As federal funding shrinks, low-income households' ability to find affordable housing will become even more dependent on TBRA.

Mr. Manning-Beavin's letter lends support to three programs – development of newly constructed homebuyer units, HOME TBRA, and CHDO operating support. He stated that new construction, especially in rural areas, achieves a triple bottom line – affordable housing, local employment, and additional tax base and stated that these units also leverage financing from the USDA/RHS Section 502 Direct Loan program and noted with leveraging power of this program. He also stated his support of the TBRA program, noting that the Consolidated Plan points out that cost-burden is in high occurrence in Kentucky. Mr. Manning-Beavin also stated his support of the CHDO operating support program, noting that it is an important piece of funding which helps CHDOs do good work in their communities.

There were no comments that were not accepted.