

# Executive Summary

## AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

### 1. Introduction

The Commonwealth of Kentucky 2024 Annual Action Plan (AAP) guides the investment of federal housing and community development funds. The AAP is a requirement of the U.S. Department of Housing and Urban Development, through which the state receives an annual entitlement, or formula grant, from each of these funds: Community Development Block Grant (CDBG), the HOME Investment Partnerships (HOME) Program, the Emergency Solutions Grant Program (ESG), the Housing Trust Fund (HTF) Program, and the Housing Opportunities for Persons with AIDS Fund (HOPWA). These funds are allocated to address housing, homelessness, and community development needs throughout the Commonwealth over the next year. The AAP includes the non-entitlement areas of the state of Kentucky. The Commonwealth uses HOME funds for affordable housing. The Commonwealth uses CDBG funds to help develop viable communities by providing decent housing and a suitable living environment and by expanding economic opportunities, principally for low- and moderate-income persons. ESG funds are used for: assisting persons experiencing literal homelessness (e.g., those living on the streets, in emergency shelters, or transitional housing, including people fleeing domestic violence, dating violence, and stalking) and those at risk of becoming homeless; homeless shelter services and operations; and street outreach activities. The HOPWA program assists low-income individuals diagnosed with HIV/AIDS and their family members living with them. The Commonwealth uses HTF funds to serve the rental needs of extremely low-income households.

### 2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The primary objective of HUD's Entitlement Programs is to develop viable communities through the provision of decent housing, a suitable living environment, and expanded economic opportunities.

- Goal 1: HOME Homeowner Activities. Increase the production of new affordable housing and continue to support the rehabilitation and resale of affordable housing.
- Goal 2: HOME Rental Assistance. Increase access to affordable housing through rental assistance.
- Goal 3: HOME Multifamily Activities. Increase access to housing by creating or rehabilitating affordable rental housing for low-income individuals.

- Goal 4: ESG Activities. Improve a wide range of supportive services and permanent housing opportunities for persons experiencing homelessness.
- Goal 5: HOPWA Activities. Improve housing assistance and related supportive services for low-income persons living with HIV/AIDS and their families.
- Goal 6: CDBG Housing. Expand access to affordable housing opportunities for persons of low- and moderate-income.
- Goal 7: CDBG Economic Development. Enhance economic stability and prosperity by increasing economic opportunities for residents through job creation, retention, and business assistance.
- Goal 8: CDBG Public Facilities. Improve the quality of life through funding community projects and foster revitalization of community structure.
- Goal 9: CDBG Public Services. Maintain funding to Recovery Kentucky programs.
- Goal 10: CDBG Public Improvements/Infrastructure. Increase the quality of life including water/sewer improvements and flood drainage improvements.
- Goal 11: HTF Multifamily Activities. Increase access to affordable rental housing for extremely low-income and very low-income households.

### **3. Evaluation of past performance**

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The previous Consolidated Plan and its associated AAPs included goals and strategies to preserve existing multifamily housing and increase the supply of affordable multifamily housing units; outlined programs that focus on assisting persons with special needs and persons experiencing homelessness; and described efforts and initiatives that focused on the revision of existing programs to focus on homelessness prevention, rapid re-housing of persons experiencing homelessness, and supportive housing for persons with disabilities.

Overarching housing needs that remain constant over time are persons with special needs require supports to obtain and retain housing; households in the lowest income categories are housing cost-burdened in high numbers; and there remains a severe shortage of affordable, decent housing. Aging housing stock remains a concern. Older, single-family homes may not be energy efficient, which causes utilities to cost more and contribute to housing cost burden. Multifamily housing units constructed decades ago need rehabilitation. Affordable rental projects financed in the past are nearing the end of their affordability periods and are at risk of loss.

Future focus will remain on improving the existing housing stock, creating new affordable housing units, coordinating housing and services in partnership with other agencies for persons with special needs, and creating economic opportunities for Kentucky's families. Additional information on past performance can be found in the Consolidated Annual Performance and Evaluation Reports (CAPERS) that KHC and DLG submit to HUD each year in September. These reports are available on KHC's web site at

www.kyhousing.org, under Resources. CAPER reports include data on the number of housing units funded, number of housing units completed, economic development, infrastructure, and other community projects, as well as demographic information on households assisted under different programs.

#### **4. Summary of Citizen Participation Process and consultation process**

Summary from citizen participation section of plan.

The Citizen Participation Plan can be found on KHC's website at <https://www.kyhousing.org/Planning-Documents/Pages/Consolidated-Plan.aspx>. In accordance with the Citizen Participation Plan, prior to final development of the Action Plan, KHC and DLG held a public hearing to obtain views of citizens, public agencies, and other interested parties on community and housing needs. The hearing was advertised the very beginning of January and was publicized using direct electronic mail notification, web announcements, and newspaper advertisements, including Spanish-language publications. At the hearing on February 15th, 2024, KHC and DLG presented information regarding the allocations the State expects to receive and the range of activities that may be undertaken. The public comment period after drafting the Action Plan took place from April 1, 2024, through May 3, 2024. KHC and DLG encouraged active participation of the Plan by stakeholders who are affected by Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME) funds, Housing Opportunities for Persons with AIDS (HOPWA) funds, Emergency Shelter Grants (ESG) funds, and Housing Trust Funds (HTF).

This section will be updated before the submission of the plan after the public hearing and public comment period are over.

#### **5. Summary of public comments**

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

This section will be updated before submission of the plan after the public hearing and public comment period are over.

#### **6. Summary of comments or views not accepted and the reasons for not accepting them**

This section will be updated before submission of the plan after the public hearing and public comment period are over.

#### **7. Summary**

This plan identifies the need to provide affordable housing and economic opportunities. This plan also addresses the state's intention to utilize funding using the most effective means possible.

## PR-05 Lead & Responsible Agencies - 91.300(b)

### 1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	KENTUCKY	Dept for Local Government/Office of Federal Grants
HOPWA Administrator	KENTUCKY	KHC Housing Contract Administration
HOME Administrator	KENTUCKY	KHC Housing Contract Administration/Multifamily
ESG Administrator	KENTUCKY	KHC Housing Contract Administration
HOPWA-C Administrator	KENTUCKY	KHC Housing Contract Administration
HTF Administrator	KENTUCKY	KHC Multifamily Programs

Table 1 – Responsible Agencies

### Narrative

#### Consolidated Plan Public Contact Information

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## **AP-10 Consultation - 91.110, 91.300(b); 91.315(l)**

### **1. Introduction**

KHC and DLG endeavor to consult with partners, state and federal agencies, local governments, non-profit and for-profit housing developers, citizens, and many other parties interested in providing input prior to and during the drafting of this plan. Consultation with all entities is ongoing throughout the year. In addition to formal public hearings prior to drafting the Action Plan, KHC and DLG engaged partners and other interested parties at meetings for the Kentucky Balance of State Continuum of Care (KY BoS CoC), Housing Policy Advisory Committee, Affordable Housing Trust Fund Committee, and others. These forums offer the opportunity for constant communication and feedback on needs and priorities. DLG consults, on a regular basis, with the Kentucky Division of Water DOW and Kentucky Emergency Management regarding the management of flood prone areas, public land or water resources while reviewing CDBG applications. DLG has also consulted with the Kentucky Public Services Commission regarding the expansion of internet services (broadband) installation in Eastern Kentucky.

The following provides additional details on these coordination activities.

#### **Provide a concise summary of the state's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies**

The state enhances coordination through the Housing Policy Advisory Committee, which plays an active role in advising KHC regarding affordable housing issues. The committee consists of 10 ex-officio state government members, 17 at-large members appointed by KHC's Board, a member of the Senate, and a member of the House of Representatives.

KHC and the state Cabinet for Health and Family Services (CHFS) work closely together on numerous initiatives, such as LIHEAP Weatherization. KHC has full-time dedicated staff tasked to coordinate housing and services initiatives funded by KHC and the Cabinet.

KHC regularly engages with the CHFS Department for Medicaid Services (DMS) regarding housing supportive services strategies.

KHC promotes the Department for Behavioral Health, Developmental and Intellectual Disabilities (DBHDID) online SOAR (SSI/SSDI, Outreach, Access, and Recovery) trainings to its partner agencies providing homeless services. SOAR teaches case managers how to thoroughly complete disability applications. With techniques from these trainings, more disability applications will be approved upon the first submission. Although SSI/SSDI will not lift households above the poverty line, it can help households sustain an income and medical insurance, and with housing assistance, can be as sufficient as the individual has capacity to be.

Permanent supportive housing (PSH) projects funded through the Continuum of Care Program serve individuals and families experiencing homelessness where a household member has a documented disability. These projects are designed as part of the CoC strategy to promote access to housing and intensive housing-focused case management and supportive services to assist persons experiencing homelessness in the transition from streets and emergency shelters to permanent housing and promote permanent housing stabilization, especially persons experiencing chronic homelessness. The projects are renewable annually through the CoC application. KHC is also supporting the development of additional units of PSH via the HOME-ARP program and Low-Income Housing Tax Credit (LIHTC) set asides.

Please see additional details in the Narrative section below.

**Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness**

KHC is the lead planning agency for the Kentucky Balance of State Continuum of Care (118 of Kentucky's 120 counties). In addition to coordinating the Kentucky Balance of State CoC, KHC works with the state Cabinet for Health and Family Services to manage programs that assist homeless veterans, persons with persistent mental illness, and youth aging out of foster care, three populations that are at high risk of becoming homeless.

The Homeless and Housing Coalition of Kentucky is the lead agency for the Kentucky Interagency Council on Homelessness (KICH), on which KHC serves as a standing member. KICH is composed of representation from state government, nonprofit agencies, and advocacy agencies who collaborate and perform duties related to serving special needs populations, including those experiencing homelessness. Representatives of state cabinets and nonprofit organizations (including, but limited to, those who serve veterans, persons experiencing homelessness, families with children and youth aging out of foster care) are active participants on the executive committee and subcommittees.

KHC offers to other agencies that serve persons experiencing homelessness across the state the opportunity to participate in the U.S. Department of Housing and Urban Development's Continuum of Care (CoC) Program. The CoC is a local or regional system for helping people who are homeless, or at risk of homelessness, by providing housing and services appropriate to the whole range of homeless needs in the community. Through the CoC Program, agencies can serve clients with supportive services, transitional housing, permanent supportive housing, or rapid re-housing.

**Describe consultation with the Continuum(s) of Care that serves the State in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS**

The Kentucky BoS CoC process, which includes ESG planning, begins at the local level with six regions across 118 counties. KHC holds at least one meeting for the entire BoS CoC membership annually, in addition to regular meetings of the BoS CoC Advisory Board, the planning body tasked with CoC-wide planning to address homelessness. The BoS CoC Advisory Board consists of representatives from six regions within the BoS CoC as well as ex-officio members representing the Kentucky Coalition Against Domestic Violence (KCADV) and the Homeless and Housing Coalition of Kentucky (HHCK) and at-large members representing community organizations not funded through ESG or CoC. Lexington/Fayette County as well as Louisville/Jefferson County have their own CoC application process and are funded separately from the BoS CoC.

In the KY BoS CoC, homeless service providers, victim service providers, Managed Care Organizations, healthcare providers, veterans' services providers, community leaders, advocates, and homeless service clients meet annually in the six BoS CoC regions. Additionally, KHC, as Collaborative Applicant, coordinates the BoS CoC Advisory Board which guides the decisions and planning efforts affecting the BoS CoC. The BoS CoC Advisory Board, made up of 12 elected agency representatives from across each BoS CoC region and of a cross-section of homeless and special needs service providers, will continue to be a pivotal link to the BoS CoC and the larger services community. The Advisory Board will work with ESG staff on implementation of the HEARTH Act rules, analyzing system performance, and recommending funding mechanisms that allow for the best service delivery across the state and to all populations. In addition, the BoS CoC Advisory Board assists KHC with the evaluation of the Coordinated Entry System overseen and managed by KHC. The BoS CoC Advisory Board meets bi-monthly for continued planning and governance. At numerous planning meetings held throughout the year, participants evaluate their service delivery system, coordinate plans to avoid duplication, share resources, and establish goals for eliminating gaps in the local delivery system. This community-based process assesses services from prevention to stabilization in permanent housing, and housing retention. The BoS CoC evaluates system performance using data collected from CoC and ESG-funded agencies, along with the VA's Supportive Services for Veteran Families (SSVF) program and the U.S. Health and Human Services Runaway and Homeless Youth (RHY) program. Performance expectations for ESG and CoC-funded projects are set in collaboration between the BoS CoC Advisory Board and KHC.

KHC, as the Collaborative Applicant for the KY BoS CoC, has the unique opportunity and ability to reach out to members of the CoC to obtain feedback and guidance. Through regular BoS CoC Advisory Board meetings and annual CoC membership meetings, information is routinely shared on the anticipated timeline for the allocation of the Emergency Solutions Grant funds. CoC Webinars give KHC ESG staff an opportunity to present information about the annual plan and to field questions from CoC partner agencies on the potential roll-out of the funding.

Additionally, KHC holds KY Bos CoC meetings where ESG staff present updates to program guidelines and request feedback on potential changes to the allocation process in future funding rounds. KHC ESG program staff also maintain regular communication with the Louisville and Lexington CoCs. This allows them to provide regular information about and receive feedback on the Kentucky ESG process. In

collaboration with the BoS CoC, all ESG-funded agencies are required to participate in the BoS CoC Coordinated Entry System.

**2. Agencies, groups, organizations and others who participated in the process and consultations**

This section will be updated before the submission of the plan after the public hearing and public comment period are over.

**Table 2 – Agencies, groups, organizations who participated**

1	<b>Agency/Group/Organization</b>	Homeless and Housing Coalition of Kentucky
	<b>Agency/Group/Organization Type</b>	Housing PHA Services - Housing Services-Children Services-Elderly Persons Services-homeless Regional organization Planning organization
	<b>What section of the Plan was addressed by Consultation?</b>	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	HHCK is consulted year-round and is a partner in the management of homeless and housing goals.
2	<b>Agency/Group/Organization</b>	FAHE
	<b>Agency/Group/Organization Type</b>	Housing Services - Housing Services-Health Services-Education Regional organization Planning organization
	<b>What section of the Plan was addressed by Consultation?</b>	Economic Development

<p><b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b></p>	<p>Participated in the public comment period. This agency is a partner and cooperates year-round to achieve housing and economic development goals. Please see the Citizen Participation documents attached to this plan for FAHE's comments.</p>
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**Identify any Agency Types not consulted and provide rationale for not consulting**

There were no agency types not consulted or provided an opportunity to consult. Efforts were made to include a wide range of community stakeholders. No agencies were intentionally excluded from participation. Organizations and individuals were given the opportunity to participate in a public hearing on March 16, 2023, and provide comments on the Plan during the public comment period from April 3, 2023, through May 5, 2023.

**Other local/regional/state/federal planning efforts considered when preparing the Plan**

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Kentucky Housing Corporation	Plans focus on the priority populations and activities including All In: The Federal Strategic Plan to end Homelessness (Chronically Homeless, Veterans, Families with Children and Unaccompanied Youth). ESG funds and CoC funds both give local scoring preference to agencies that target funds to be used for those populations. Additionally, Rapid Re-Housing continues to be encouraged as a successful housing delivery method under both federal funding sources.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Housing Needs Assessment (2018)	Kentucky Housing Corporation	The Housing Needs Assessment provides a snapshot of housing in the state of Kentucky. The Assessment is an overview of survey results from program partners in Kentucky, and program evaluation of current KHC services, along with 2018 Kentucky demographic information. The Assessment provided a demand analysis of Multifamily Programs, Housing Choice Voucher Program, and Homeless Outreach Programs (CoC, ESG, and HOPWA). The identified demands overlap with Goal 2: HOME Rental Assistance, Goal 3: HOME Multifamily Activities, Goal 4: Emergency Shelter Grant Activities, Goal 5: HOPWA Activities, and Goal 11: Housing Trust Fund Multifamily Activities.
Kentucky Strategic Plan to End Homelessness (2018)	Kentucky Interagency Council on Homelessness	Kentucky made great strides toward improving statewide strategies to address planning and coordination of behavioral health, primary care services, and access to permanent housing to reduce homelessness. Goals established in the Strategic Plan to End Homelessness overlap with annual Action Plan goals: 1) Goal 4: Emergency Solutions Grant Activities: the Strategic Plan seeks to encourage and support agencies providing emergency shelter and/or crisis beds to lower programmatic barriers to services 2) Goal 9: CDBG Services providing support for Recovery Kentucky as the Strategic Plan seeks to strengthen the discharge process for persons exiting substance abuse programs.
Kentucky Hazard Mitigation Plan (2018)	Kentucky Emergency Management	The Commonwealth of Kentucky Enhanced Hazard Mitigation Plan for 2018 allow the Commonwealth to maximize mitigation activity and administer a comprehensive mitigation program and effectively use mitigation funding. Goal IV of the Mitigation Plan: Increase integration of commonwealth and federal agencies policies, programs, funding sources, projects, and planning (to reduce vulnerabilities to jurisdictions and to commonwealth-owned and commonwealth-operated buildings, infrastructure, and critical facilities). Overlaps with the goals of Goal 8: CDBG Public Facilities and Goal 10: CDBG Public Improvements/Infrastructure.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Recovery Center Outcome Study Annual Report (2023)	Kentucky Housing Corporation/University of Kentucky Center on Drug & Alcohol Research	The annual report is a comprehensive review of the findings from the Recovery Kentucky program, a program to help Kentuckians recover from substance abuse, providing housing and recovery services for up to 2,200 persons. The report emphasizes the value of recovery services as a key part of the state commitment to intervening with the growing problem of substance abuse in Kentucky. This goal overlaps with Goal 9: CDBG Services providing ongoing support for Recovery Kentucky. The most recent report may be accessed at <a href="https://cdar.uky.edu/RCOS/RCOS_2023_Report.pdf">https://cdar.uky.edu/RCOS/RCOS_2023_Report.pdf</a>

**Table 3 - Other local / regional / federal planning efforts**

**Narrative**

Continued from above:

KHC, through its Housing Choice Voucher program available in 87 counties, created the Kentucky Moving On initiative in 2017. The program is a partnership with the Kentucky Balance of State Continuum of Care whereby persons currently in CoC-funded permanent supportive housing units who are no longer in need of intensive case management and supportive services may transition out of the PSH-funded resource into a Housing Choice Voucher within the community. The program allows people who achieved housing stability to transition into community-based housing and frees up limited PSH resources for persons with more severe needs, such as those experiencing chronic homelessness.

Additionally, via competitive grants awarded in 2019 and 2020, KHC received 300 Mainstream Vouchers that serve households with a non-elderly member with a disability. These vouchers can serve many persons experiencing or who have experienced homelessness in need of a permanent housing subsidy. Continuum of Care partner agencies refer clients with a history of homelessness to KHC for these vouchers.

In 2019, KHC’s Housing Choice Voucher program was awarded 74 Family Unification Program (FUP) vouchers to assist transition-age youth and families. The program can assist the following two household types:

- Families for whom the lack of adequate housing is a primary factor in the imminent placement of the family's child(ren) in out-of-home care or the delay in returning child(ren) to the family from out-of-home care. (No time limit on assistance for FUP families.)

- Youth 18-24 years of age who left foster care, or will leave foster care within 90 days, in accordance with a transition plan and are homeless or are at risk of becoming homeless. (Maximum of 36 months.)

Case workers with the Cabinet for Health and Family Services refer clients to KHC for Family Unification Program vouchers.

In July 2021, KHC's Housing Choice Voucher program was awarded 257 new Emergency Housing Vouchers (EHV) through the American Rescue Plan (ARP) of 2021. EHV vouchers are to address the continued impact of COVID-19 pandemic on the economy, public health, State and local governments, individuals, and businesses. The program can assist the following Individuals and families:

- Experiencing homelessness
- At Risk of Experiencing homelessness
- Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking
- Recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability

Continued from above:

KHC communicates weekly with partners via the eGram electronic newsletter service. Thousands of people subscribe to this service for messages on ESG and other programs. KHC uses this tool to invite comments on various programs and policies. KHC is regularly engaged with ESG and CoC-funded service providers via regular meetings of and electronic communications with the 15 regional BoS CoC Coordinated Entry System Local Prioritization Communities (LPCs) that refer persons experiencing homelessness to available housing resources.

## **AP-12 Participation - 91.115, 91.300(c)**

### **1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting**

In accordance with the Citizen Participation Plan, prior to final development of the Action Plan, KHC and DLG held a public hearing to obtain views of citizens, public agencies, and other interested parties on community and housing needs. The hearing was advertised the very beginning of January 2024 and was publicized using direct electronic mail notification, web announcements, and newspaper advertisements, including Spanish-language publications. At the hearing on February 15, 2024, KHC and DLG presented information regarding the allocations the State expects to receive and the range of activities that may be undertaken. The public comment period after drafting the Action Plan took place from April 1, 2024, through May 3, 2024. KHC and DLG encouraged active participation of the Plan by stakeholders who are affected by Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME) funds, Housing Opportunities for Persons with AIDS (HOPWA) funds, Emergency Shelter Grants (ESG) funds, and Housing Trust Funds (HTF).

This section will be updated before the submission of the plan after the public hearing and public comment period are over.

### **Citizen Participation Outreach**

This section will be updated before the submission of the plan after the public hearing and public comment period are over.

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Newspaper Ad	Non-targeted/broad community	Public notices for the public hearing on March 16, 2023, were placed in the Louisville Courier-Journal and Lexington Herald-Leader. Affidavits of publication can be found in the appendix in Section AD-26.	There were no comments received.	There were no comments not accepted.	
2	Newspaper Ad	Minorities Non-English Speaking - Specify other language: Spanish	Public notices for the public hearing on March 16, 2023, were placed in the Spanish language publications Al Dia and El Kentubano. A copy of the translated notices can be found in the appendix in Section AD-26.	There were no comments received.	There were no comments not accepted.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
3	Internet Outreach	<p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p> <p>Homeless and Support Services</p>	<p>KHC maintains email distributions lists called "eGrams". Information regarding the Action Plan was distributed to recipients on these lists via e-mail. The lists are a mixture of real estate agents, mortgage lenders, single- and multifamily developers, non-profit partners (those part of the CoC, helping with ESG, and other service providers that work with KHC's Housing Contract Administration), and minority- and women-owned businesses (MBE/WBE). A copy of the eGram message can be found in the 2024 Appendix in AD-26. This eGram message contains a Notice of</p>	<p>There were no comments received.</p>	<p>There were no comments not accepted.</p>	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
4	Public Hearing	Non-targeted/broad community	A public hearing was held on March 16, 2023. The minutes of the hearing are attached to this Plan in the appendix in Section AD-26.	There were no comments received.	There were no comments not accepted.	
5	Newspaper Ad	Non-targeted/broad community	Public notices for the public comment period from April 3, 2023, to May 5, 2023, were placed in the Louisville Courier-Journal and Lexington Herald-Leader. Affidavits of publication can be found in the appendix in Section AD-26.	There were no comments received.	There were no comments not accepted.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
6	Internet Outreach	Non-targeted/broad community	KHC advertised via eGrams review of the Action Plan and its associated documents on its website. The eGram invited interested parties to submit any comments during the public comment period from April 3, 2023, to May 5, 2023.	KHC and DLG received comments regarding: the value of maintaining affordable housing with funding from HOME and NHTF in impoverished and in rural counties, the use of CDBG funds for neighborhood or scattered site development and revitalization, and the usefulness of American Rescue Plan Act funds that provided additional opportunities to serve people in the community. Please see the attachments in AD-26 for full remarks.	There were no comments not accepted.	

**Table 4 – Citizen Participation Outreach**

## Expected Resources

### AP-15 Expected Resources – 91.320(c)(1,2)

#### Introduction

In addition to newly allocated block grant funds, estimates of program income and recaptured funds from prior years are included in each year's allocation plan. Please note there is no Program Income expected for CDBG, HOPWA, ESG, and HTF.

Please note this table will be updated when CPD Formula Allocations are released by HUD for FY2024.

#### Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public – federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$26,492,152	0	0	\$26,492,152	\$26,492,152	DLG expects to provide funding to projects in non-entitlement areas of the state. Priorities include: CDBG Housing, Public Services, Economic Development, and Other Housing and/or Service Needs.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public – federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	\$13,000,000	\$3,000,000	\$12,000,000	\$28,000,000	\$28,000,000	Grant from U.S. Department of Housing and Urban Development to address affordable housing needs.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOPWA	public – federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	\$1,400,000	0	0	\$1,400,000	\$1,400,000	Grant from U.S. Department of Housing and Urban Development dedicated to the housing needs of people living with HIV/AIDS.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public – federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	\$2,950,000	0	0	\$2,950,000	\$2,950,000	Grant from U.S. Department of Housing and Urban Development to address needs and services for persons experiencing homelessness or persons at risk of homelessness.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HTF	public – federal	Acquisition Admin and Planning Homebuyer assistance Multifamily rental new construction Multifamily rental rehab New construction for ownership	\$3,000,000	0	0	\$3,000,000	\$3,000,000	Housing Trust Fund, multifamily housing for extremely low-income and very low-income households.
Other	public – federal	Other	0	0	0	0	0	

**Table 5 – Expected Resources – Priority Table**

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

Federal funds will continue to be leveraged with other resources to achieve the objectives of this plan. Matching requirements will be achieved through a variety of methods. Kentucky is fortunate in that a majority of our recipients – nonprofits, private developers, and units of local government – have contributed a large amount of matching funds with their projects. In fact, in the past, HOME recipients have provided enough matching funds annually to allow the state to carry match forward to future years. In addition, KHC will continue to provide matching funds, if needed. Periodically, the amount of HOME matching funds required is reduced due to high unemployment rates, natural disasters, or

other factors determined by HUD.

There are several block grant programs that are allocated by the state through a competitive system. This system provides an incentive for applicants to include leverage and matching funds in the project that count toward federal match requirements. Some programs award points to applicants that propose more than the required leverage and matching funds. This encourages applicants to blend funds with other programs to provide for affordable housing opportunities. Other programs require a set amount of proposed match and/or leverage to be eligible for funding. Applicants are also encouraged to contribute additional funds to their project, including, but not limited to, bank loans and other state and federal grants/loans.

KHC and DLG encourage applicants to utilize several sources of funds from the private sector, state programs and local programs to assist in meeting HUD matching requirements to increase the amount of funds available to provide affordable housing.

Each ESG recipient must match the funding provided by ESG with an equal value of contributions from other sources. These funds must be provided after the date of the grant award. In calculating matching funds, recipients may include the value of any donated material or building, the value of the lease of a building, staff salaries paid by the grantee and volunteer time. The recipient may not include funds used to match any previous ESG grant or any other grant. It is anticipated that matching funds will come from a variety of sources, both public and private. Each sub-recipient of ESG funds will be required to match their allocation at a one-to-one level or higher. Because many agencies will be able to use in-kind donations of both goods and services as well as cash contributions, it is anticipated that the Kentucky State ESG program will access enough matching funds.

HOPWA recipients are not required to meet a minimum match requirement, but recipients must coordinate their funding with the administration of federal and state AIDS service funding. At any time, leverage may be one of the factors used in evaluating and ranking HOPWA proposals.

In general, CDBG applicants receive higher priority for funding if they provide matching funds. Kentucky's CDBG Small Cities Small Program is fortunate that the majority of recipients contribute some amount of matching funds.

**If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan**

Cities and counties may contribute public land to a CDBG project.

**Discussion**

Continued information about match requirements:

In general, CDBG applicants receive higher priority for funding if they provide matching funds. Kentucky's CDBG Small Cities Small Program is fortunate that the majority of recipients contribute some amount of matching funds. Guidelines for the Recovery Housing program are in progress.

There is no matching funds requirement for National Housing Trust Fund (HTF) project applicants. However, because these funds are the smallest portion of total project costs, matching and leverage funds will be provided by project-based rental assistance, bond financing, low-income housing tax credits, and other financing mechanisms. The amount of non-federal funding associated with most projects will be substantially higher than the amount of HTF funding allocated to the project.

Finally, The Commonwealth of Kentucky adheres to the match requirements for CDBG, HOME and ESG. The match requirements by program are as follows:

CDBG: After the first \$100,000, the Commonwealth matches, dollar for dollar, all eligible administrative expenses.

HOME: HOME funds are used in conjunction with the Commonwealth's Affordable Housing Trust Fund Dollars. KHC also tracks other eligible match sources allowed by program regulations.

ESG: Funds are matched in an amount that equals the fiscal year grant amount for ESG.

These match practices will be continued through the duration of the 2020 to 2024 Consolidated Planning period.

KHC is the designated administrator of the federal Low-Income Housing Tax Credit (LIHTC) program, governed by Section 42 of the Internal Revenue Code of 1986, as amended (Code), and all Treasury regulations, for the Commonwealth of Kentucky. This program is coordinated with HOME and other funding, including state Affordable Housing Trust Fund, National Housing Trust Fund and KHC Housing Assistance Funds to produce and rehabilitate the maximum number of affordable rental units possible. Entities applying for tax credits apply for other forms of funding/financing through KHC by way of a consolidated application.

Additional affordable housing and economic development programs are currently active in the state of Kentucky although not administered under this plan or by KHC or DLG. Additional agencies and entities that offer programs and funding are:

- Kentucky Small Business Development Centers
- Kentucky Department of Behavioral Health, Developmental and Intellectual Disabilities
- Kentucky Economic Development Cabinet
- Fannie Mae
- Federal Emergency Management Agency and Kentucky Emergency Management Agency
- Federal Housing Administration
- Federal Home Loan Bank
- Kentucky Historic Preservation Office
- U.S. Department of Housing and Urban Development
- Kentucky Association of Counties
- Kentucky Department of Veterans Affairs
- Kentucky Domestic Violence Association
- Kentucky Economic Development Finance Authority (KEDFA)
- Kentucky Infrastructure Authority
- Kentucky Justice Cabinet/Department of Corrections
- Kentucky League of Cities
- Kentucky Rural Economic Development Authority
- Kentucky Transportation Cabinet
- USDA Rural Housing Service
- US Small Business Administration
- US Army Corps of Engineers
- US Veterans Administration

## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives – 91.320€(3)&€

#### Goals Summary Information

Please note this table will be updated when CPD Program Formula Allocations are released in FY2024.

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	HOME Homeowner Activities	2020	2024	Affordable Housing	Non-Entitlement Geographic Area	Production of New Affordable Housing Rehabilitation of Affordable Housing	HOME: \$	Homeowner Housing Added: 48 Household Housing Unit Homeowner Housing Rehabilitated: 3 Household Housing Unit
2	HOME Rental Assistance	2020	2024	Affordable Housing	Non-Entitlement Geographic Area	Rental Assistance	HOME: \$	Tenant-based rental assistance / Rapid Rehousing: 400 Households Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	HOME Multifamily Activities	2020	2024	Affordable Housing	Non-Entitlement Geographic Area	Production of New Affordable Housing Rehabilitation of Affordable Housing Permanent Supportive Housing	HOME:	Rental units constructed: 37 Household Housing Unit Rental units rehabilitated: 36 Household Housing Unit
4	Emergency Shelter Grant Activities	2020	2024	Homeless	Non-Entitlement Geographic Area	Rental Assistance Rapid-Rehousing Emergency Shelter Homelessness Outreach Prevention of Homelessness Other Housing and/or Service Needs	ESG: \$	Tenant-based rental assistance / Rapid Rehousing: 575 Households Assisted Homeless Person Overnight Shelter: 2800 Persons Assisted Homelessness Prevention: 250 Persons Assisted
5	HOPWA Activities	2020	2024	Non-Homeless Special Needs	Non-Entitlement Geographic Area	Rental Assistance Other Housing and/or Service Needs	HOPWA: \$	Tenant-based rental assistance / Rapid Rehousing: 75 Households Assisted Other: 475 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	CDBG Housing	2020	2024	Affordable Housing	Non-Entitlement Geographic Area	Production of New Affordable Housing Rehabilitation of Affordable Housing Homebuyer rehabilitation and Development	CDBG: \$3,443,980	Homeowner Housing Rehabilitated: 30 Household Housing Unit
7	CDBG Economic Development	2020	2024	Non-Housing Community Development	Non-Entitlement Geographic Area	Economic Development	CDBG: \$5,033,509	Businesses assisted: 7 Businesses Assisted
8	CDBG Public Facilities	2020	2024	Non-Housing Community Development	Non-Entitlement Geographic Area	Public Facilities Other Housing and/or Service Needs	CDBG: \$9,004,331	Other: 35000 Other
9	CDBG Services	2020	2024	Recovery Kentucky Services	Non-Entitlement Geographic Area	Public Services	CDBG: \$2,914,137	Other: 1100 Other
10	CDBG Public Improvements/Infrastructure	2020	2024	Non-Housing Community Development	Non-Entitlement Geographic Area	Public Improvements/Infrastructure	CDBG: \$6,093,195	Other: 30000 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
11	Housing Trust Fund Multifamily Activities	2020	2024	Non-Housing Community Development	Statewide	Production of New Affordable Housing Rehabilitation of Affordable Housing	HTF: \$3,000,000	Rental units constructed: 20 Household Housing Unit  Rental Units Rehab: 16

Table 6 – Goals Summary

**Goal Descriptions**

1	<b>Goal Name</b>	HOME Homeowner Activities
	<b>Goal Description</b>	Down payment and first mortgage assistance; owner-occupied rehabilitation, owner-occupied new construction.
2	<b>Goal Name</b>	HOME Rental Assistance
	<b>Goal Description</b>	Tenant-based rental assistance.
3	<b>Goal Name</b>	HOME Multifamily Activities
	<b>Goal Description</b>	Rehabilitation of rental housing with or without acquisition; new construction.
4	<b>Goal Name</b>	Emergency Shelter Grant Activities
	<b>Goal Description</b>	Emergency shelter facility operations and services, rapid-rehousing, homeless prevention, street outreach, and other eligible ESG program activities.

5	<b>Goal Name</b>	HOPWA Activities
	<b>Goal Description</b>	Short Term Rental, Mortgage, and Utility assistance and services to allow persons with HIV/AIDs to retain housing. Tenant-based rental assistance to help clients obtain permanent housing. Supportive services to provide needed counseling assistance with childcare, nutritional classes, etc. Permanent housing placement to pay for first month's rent and deposits in order to obtain housing. Housing information services to assist clients with information needed to obtain housing.
6	<b>Goal Name</b>	CDBG Housing
	<b>Goal Description</b>	Assistance for construction, rehabilitation, or homebuyer assistance for single family and multifamily affordable housing.
7	<b>Goal Name</b>	CDBG Economic Development
	<b>Goal Description</b>	To improve local economies and the economic well-being of the people of Kentucky while protecting the environment. Encourage private investment that will result in the creation of new jobs, primarily for the unemployed and underemployed. Discourage the out migration of businesses that employ and serve the local population.
8	<b>Goal Name</b>	CDBG Public Facilities
	<b>Goal Description</b>	To improve the quality of life through funding community projects requested by individual communities to enhance community pride and involvement and perpetuate local identity. Enable local communities to provide services they have determined are important but generally cannot afford. Foster a revitalization of community structure to help communities help themselves. Promote energy efficiency in new construction and rehabilitation projects especially the use of Energy Star qualified products.
9	<b>Goal Name</b>	CDBG Services
	<b>Goal Description</b>	To improve the lives of citizens by helping them overcome chemical addictions and avoid the risk of homelessness. Provide operational costs to support new and existing residential substance abuse centers. Provide support to educational programs for at-risk or LMI persons with substance abuse issues.

<b>10</b>	<b>Goal Name</b>	CDBG Public Improvements/Infrastructure
	<b>Goal Description</b>	To provide public facilities to eliminate conditions which are detrimental to the public health and safety and which thus detract from further community development or which are necessary to meet other essential community needs. Improve existing public facilities. Provide new facilities when warranted by recent population growth or when essential needs exist.
<b>11</b>	<b>Goal Name</b>	Housing Trust Fund Multifamily Activities
	<b>Goal Description</b>	New construction or rehab of affordable rental properties.

## AP-25 Allocation Priorities – 91.320(d)

### Introduction:

Kentucky’s block grant funds will be distributed throughout the state on a competitive basis for eligible activities through several methods described in the individual program guidelines for each program. Units of local government, nonprofit and for-profit entities will be able to apply for funding to carry out eligible activities. This distribution system allows eligible agencies to apply for funding for activities that will address the priority needs for their local community, as housing and community development needs vary widely across Kentucky. Funds awarded to local communities will also address the needs addressed in the state’s Consolidated Plan. In addition to local community needs, DLG and KHC have identified the following needs that will be addressed with funding via Kentucky’s formula allocation funds: the need to increase the supply of affordable homeownership and rental units; the need to preserve the existing supply of subsidized rental units; the need to identify permanent housing solutions for persons experiencing homelessness; the need to support local government’s efforts to increase their job/tax base, improve and expand public facilities, and offer services tailored to local needs. The allocation distribution in the table below is an estimate. Depending upon the types of applications received, DLG and KHC may reallocate funding between eligible activities. The distribution in the table below does not include administrative costs, contingencies for disasters, CHDO operating, and HMIS. CHDO set-aside has been included in homeowner activities, although CHDOs are eligible to apply for funding for all activities.

### Funding Allocation Priorities

Please note this table will be updated when CPD Program Formula Allocations are released by HUD for FY2024.

	HOME Homeowner Activities (%)	HOME Rental Assistance (%)	HOME Multifamily Activities (%)	Emergency Shelter Grant Activities (%)	HOPWA Activities (%)	CDBG Housing (%)	CDBG Economic Development (%)	CDBG Public Facilities (%)	CDBG Services (%)	CDBG Public Improvements/Infrastructure (%)	Housing Trust Fund Multifamily Activities (%)	Total (%)
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CDBG	0	0	0	0	0	13	19	34	11	23	0	<b>100</b>
HOME	29	12	59	0	0	0	0	0	0	0	0	<b>100</b>
HOPWA	0	0	0	0	100	0	0	0	0	0	0	<b>100</b>
ESG	0	0	0	100	0	0	0	0	0	0	0	<b>100</b>
HTF	0	0	0	0	0	0	0	0	0	0	100	<b>100</b>
Other RHP	0	0	0	0	0	0	0	0	0	0	0	<b>0</b>

**Table 7 – Funding Allocation Priorities**

**Reason for Allocation Priorities**

Housing priorities are considered equal.

**How will the proposed distribution of funds will address the priority needs and specific objectives described in the Consolidated Plan?**

HOPWA Activities (100% of HOPWA) - Funds are limited to this priority. All will be used to address HOPWA needs.

HOME Homeowner Activities (29% of HOME); HOME Rental Assistance (12% of HOME); HOME Multifamily Activities (59% of HOME) - HOME distributions seek to optimize the impact of HOME funds across the Balance of State. Homeowner and TBRA activities are important, but the greatest priority is on preservation and creation of affordable rental units across the state. If KHC received more HOME funding, the percentage might be recalibrated to fund more homebuyer development and TBRA.

ESG Activities (100% of ESG) - Funds are limited to this priority. All will be used to address ESG needs.

CDBG Housing (13% of CDBG); CDBG Economic Development (19% of CDBG); CDBG Public Facilities (34% of CDBG); CDBG Services (11% of CDBG); CDBG Public Improvements/Infrastructure (23% of CDBG) - CDBG distributions seeks to optimize the impact of CDBG funds across the Balance of State and to address demand across priorities that far outstrips available CDBG.

HTF Multifamily Activities (100% of HTF) - Funds are for the most part limited to this priority. All will be used to address the preservation and/or creation of rental units affordable to extremely low-income households.

Funds are distributed based on an estimate of the types of applications the state expects to receive.

## AP-30 Methods of Distribution – 91.320(d)&(k)

### Introduction:

Each program covered by this Action Plan has a unique timeline and method for distributing its funds. Kentucky's block grant funds will be distributed throughout the state on a competitive basis for eligible activities through several methods described in the program guidelines for each program for the purposes of preserving existing affordable housing as well as fostering new affordable housing opportunities. Units of local government, nonprofit, and for-profit entities will be able to apply for funding to carry out eligible activities, subject to the limitations of each program. This distribution system allows eligible agencies to apply for funding for activities that will address the priority needs for their community. In addition, funds awarded to local communities will also address the housing needs outlined in the state's Consolidated Plan. Eligible activities and recipient types for each block grant program are specifically addressed in their distribution plans.

### Distribution Methods

Table 8 - Distribution Methods by State Program

1	<b>State Program Name:</b>	Community Development Block Grant Program
	<b>Funding Sources:</b>	CDBG

<p><b>Describe the state program addressed by the Method of Distribution.</b></p>	<p>The HUD CDBG Program provides assistance to communities for use in revitalizing neighborhoods, expanding affordable housing and economic opportunities, assisting with community emergency relief, providing infrastructure, improving community facilities, and providing operational costs for Recovery Kentucky substance abuse centers. With the participation of their citizens, communities can devote these funds to a wide range of activities that best serve their own development priorities. DLG works directly with eligible units of local government in distributing CDBG funds, which are awarded on a competitive basis through an open application process. Local governments are best equipped to understand the needs of their individual communities and, through an open application process, present projects for funding that are ready to proceed. To strengthen gaps in this process, DLG conducts training for local officials and grant administrators. Training acquaints the officials with the regulatory requirements of the program. Information included that assists in ensuring strong applications and successful projects includes environmental requirements, labor standards, procurement standards, fair housing and equal opportunity and concerns related to construction and housing.</p>
<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>All cities and counties in Kentucky are eligible for participation in the CDBG Program except for the cities of Ashland, Bowling Green, Covington, Elizabethtown, Henderson, Hopkinsville, Owensboro, the City of Lexington/Fayette County and City of Louisville/Jefferson County Metro Government which receive a direct allocation of CDBG funds from the federal government. Applications are reviewed based on the following criteria: need, necessary and reasonable expenditures of funds, and project effectiveness.</p>

<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>The CDBG Program Guidelines, including detailed information about each eligible activity, are available at: <a href="https://kydlgweb.ky.gov/FederalGrants/CDBG_cities.cfm">https://kydlgweb.ky.gov/FederalGrants/CDBG_cities.cfm</a>.</p>
<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	<p>N/A</p>

<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>N/A</p>
<p><b>Describe how resources will be allocated among funding categories.</b></p>	<ul style="list-style-type: none"> <li>• Public Facilities - \$8,834,662</li> <li>• Economic Development - \$5,005,449</li> <li>• Housing - \$3,353,572</li> <li>• Community Projects - \$5,803,703</li> <li>• Public Services (Recovery Kentucky) - \$2,600,000</li> <li>• Community Emergency Relief Fund - TBD based on need</li> </ul>

	<p><b>Describe threshold factors and grant size limits.</b></p>	<ul style="list-style-type: none"> <li>• Economic Development (Traditional) - \$1,000,000 Individual; \$2,000,000 Multi-Jurisdiction</li> <li>• Economic Development (Non-Traditional) - \$250,000 Individual; \$500,000 Multi-Jurisdiction</li> <li>• Public Facilities - \$1,000,000 Individual; \$2,000,000 Multi-Jurisdiction</li> <li>• Self-Help - \$250,000 Individual; \$500,000 Multi-Jurisdiction</li> <li>• Housing - \$1,000,000 Individual</li> <li>• Community Projects - \$750,000 Individual</li> <li>• Community Emergency Relief Fund (CERF)- Determined on need</li> <li>• Public Services (Recovery Kentucky) Existing Facilities - \$200,000</li> <li>• Public Services (Recovery Kentucky) New Facilities - \$200,000</li> </ul>
	<p><b>What are the outcome measures expected as a result of the method of distribution?</b></p>	<p>Recipients must acknowledge that they will be required to submit performance measure information to DLG to meet this reporting requirement. As part of this process, each recipient will be required to complete a Program Completion Report at closeout. Some recipients, due to the nature of their projects (housing rehab and job creation), will report annually. There are three main components of the Performance Measurement System: Objectives, Outcomes and Indicators. Each component relates to a project activity. DLG will assign one of three objectives related to the type of activity, funding source and goal/program intent.</p> <p>Objectives include:</p> <ul style="list-style-type: none"> <li>• Suitable Living Environment</li> <li>• Decent Housing</li> <li>• Economic Opportunity</li> <li>• Improved Availability/Accessibility</li> <li>• Improved Affordability</li> <li>• Improved Sustainability</li> </ul>
<p><b>2</b></p>	<p><b>State Program Name:</b></p>	<p>Emergency Solutions Grants Program</p>

<b>Funding Sources:</b>	ESG
<b>Describe the state program addressed by the Method of Distribution.</b>	ESG is designed for the rehabilitation or conversion of buildings for use as emergency shelter for those experiencing homelessness, for the payment of certain expenses related to operating emergency shelters, for essential services related to emergency shelters and street outreach for those experiencing homelessness, and for homelessness prevention and rapid re-housing assistance.
<b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b>	KHC awards ESG funding through a competitive application process. KHC will use a renewal funding round for subrecipients awarded funding through the FFY22 competitive application process to award FFY2023 ESG funds. KHC will hold another competitive application round in Spring 2024 to award FFY2024 ESG funds on a 2-year renewable basis. In the 2022 competition, applicants were evaluated on such areas as: local needs, applicant experience/capacity/performance, project design, community coordination, and other factors, such as adherence to best practices such as low-barrier shelter and Housing First principles and participation in the KY BoS CoC's Coordinated Entry System. Subrecipients receiving funding will continue to be required to address how they will address and help eliminate fair housing impediments. In the 2022 competition, which awards are being renewed through the 2023 renewal funding round, KHC most heavily considered an applicant's organizational capacity, project design, and community collaboration efforts.

<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>N/A</p>
<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	<p>Through a two-year competitive application process, KHC will make ESG funds available to eligible non-profits and local governments from the 118 counties in Kentucky that do not receive a direct allocation of ESG as an entitlement area. All funds will be obligated to sub-grantees within 60 days of the date KHC enters into its funding agreement with HUD. KHC accepts applications from all eligible applicants (including first-time applicants and faith-based groups). KHC intends to open a two-year competitive application round for FFY2024 ESG funds in the spring of 2024.</p>

<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>N/A</p>
<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>Funding for FFY24 will be awarded o through a two-year competitive application round held in Spring 2024. To reduce the time that families and individuals remain homeless, shorten the length of stay in the homeless system, and prevent homelessness from occurring, it is important to dedicate the resources necessary to achieve those outcomes. With the implementation of the KY BoS CoC Coordinated Entry System, it is important to consider the unique needs of local prioritization areas where collaboration is occurring. The KY BoS CoC Coordinated Entry System is implemented by utilizing smaller groupings of counties called Local Prioritization Communities (LPCs) based on Area Development District boundaries that work together to pool resources to serve those with the highest needs and divert people from the system as appropriate. Some already have Rapid Re-Housing (RRH) resources through the CoC program while other areas may not. Some areas may need more street outreach or prevention resources based on their configuration of existing community resources. KHC anticipates awarding the majority of FFY2024 ESG funding for RRH activities, followed by Shelter activities and then Prevention and Street Outreach. KHC also allows subrecipients to request at least 3.75% for administrative activities. KHC also encourages applicants to request funds to support HMIS-eligible activities to ensure compliance with HUD reporting expectations and CoC strategic planning efforts.</p>

	<p><b>Describe threshold factors and grant size limits.</b></p>	<p>As previously stated, FFY2024 ESG funding will be distributed to recipients through a competitive funding round held in spring 2024. In FFY22, no single application was able to request more than \$150,000 of the total amount of funds available. The only time a single applicant could submit more than one application is if the project's facilities are in different counties. KHC made every effort to award limited resources as prudently as possible and select those agencies with the greatest capacity to effectively administer the funds. The amount of funds awarded depended on how well an application scored as well as the other considerations such as expenditure rates of FFY2020, FFY2021, FFY2022, and FFY2023 ESG funding by each agency. KHC will select projects based on project viability, applicant capacity, performance, community collaboration, and program design. It is our goal to achieve as much geographic distribution as possible, while ensuring that the strongest applications receive funding based on their total scores in FFY24. KHC reserves the right to award greater than \$150,000 to an organization if funds are available and the need is justified.</p>
	<p><b>What are the outcome measures expected as a result of the method of distribution?</b></p>	<p>The distribution of funds is intended to allow partners to make progress most effectively towards the CoC's goal of homelessness being rare, brief, and non-recurring in the Kentucky Balance of State. The primary outcomes KHC will monitor will be those established by HUD as part of the CoC System Performance Measures that are relevant to ESG programs, which includes:</p> <ul style="list-style-type: none"> <li>• Reduction in the average and median length of time persons remain homeless;</li> <li>• Reduction in the percent of persons who return to homelessness;</li> <li>• Reduction in the number of persons who are homeless;</li> <li>• Number of persons who become homeless for the first time;</li> <li>• Successful placement from Street Outreach; and</li> <li>• Successful placement in or retention of Permanent Housing</li> </ul>
<p><b>3</b></p>	<p><b>State Program Name:</b></p>	<p>HOME Investment Partnerships Program</p>
	<p><b>Funding Sources:</b></p>	<p>HOME</p>

<p><b>Describe the state program addressed by the Method of Distribution.</b></p>	<p>Possible activities eligible for funding include, but are not limited to:</p> <ul style="list-style-type: none"> <li>• Rehabilitation for homebuyer or rental properties</li> <li>• Acquisition, including down payment and closing cost assistance</li> <li>• New construction or preservation of rental or homebuyer properties</li> <li>• Tenant-based rental assistance</li> <li>• Demolition in conjunction with rehabilitation or new construction</li> <li>• Reconstruction of housing</li> <li>• Adaptive reuse</li> <li>• Homeless assistance (restricted to housing development activities for permanent housing, and tenant-based rental assistance)</li> </ul>
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<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>Eligibility to apply for HOME funds will be no more restrictive than that required by HUD regulations. In addition to meeting basic eligibility criteria, additional minimum threshold requirements may be set by KHC during each funding round. These thresholds will be outlined in specific funding round application guidelines. Applications may be submitted for homeownership, tenant-based rental assistance, and rental activities. Announcements of funding availability will be announced via KHC's eGram web service. Applications may be evaluated on factors such as: performance measures; project need/demand; financial design and feasibility; project design; capacity of the development team; and readiness to proceed. KHC will make every effort to work with applicants and offer technical assistance when completing an application. After an application is given a conditional commitment of funding, the applicant must submit necessary technical submission items to receive a full release of funds. In the event a recipient has not satisfactorily performed under the terms of a prior written agreement with KHC, KHC reserves the right to not accept subsequent applications. Plan for determining compliance with the 95 percent median purchase price 92.254(a)(2)(iii): The Final Rule published on July 24, 2013, established new homeownership value limits for the HOME program. These new limits apply to homeownership housing when HOME funds are committed on or after August 23, 2013, and remain in effect until HUD issues new limits. KHC will fully comply with the 95 percent median purchase price limits established annually by HUD. For existing housing, the new HOME homeownership value limit is the greater of the 95 percent of the median purchase price for the area based on Federal FHA single-family mortgage program data and other appropriate data that are available nationwide for sale of existing housing in standard condition, or the minimum limit (or floor) based on 95 percent of the statewide, nonmetropolitan area median purchase price using this data. This limit encompasses the total purchase/rehabilitation price, regardless of source of financing. KHC will use the Homeownership Value limits released by HUD annually at: HOME Maximum Purchase Price/After-Rehab Value - HUD Exchange.</p>
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<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>N/A</p>
<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	<p>N/A</p>

<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>N/A</p>
<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>KHC cannot predetermine the use of HOME funds by activity. The amount of funds allocated for each activity will be based on the nature of applications received by KHC, the criteria described in the application process and the extent to which proposals are consistent with the priorities identified in this plan. KHC will make every attempt to distribute funds geographically, contingent upon overall housing demand. KHC has estimated the distribution of funds by activity based on anticipated funds and has included program income and recaptures. The distribution may change based on actual demand by activity. KHC anticipates that FFY 2024 funds will be distributed approximately as follows (as of the date of publication for comment, HUD had not announced funding):</p> <ul style="list-style-type: none"> <li>• Homeowner activities, including new construction, rehabilitation, and acquisition/rehabilitation/resale - \$4,800,000. This includes CHDO set-aside funds.</li> <li>• Tenant-Based Rental Assistance - \$2,000,000</li> <li>• Rental Production/Rehab - \$9,712,990.49</li> </ul>

**Describe threshold factors and grant size limits.**

KHC imposed performance-based thresholds for HOME funds. Applicants will be required to meet annually established expenditure and commitment thresholds as spelled out in application guidelines prior to application submission. In FFY2024, KHC will allow eligible applicants to request up to \$500,000 of HOME funds for multifamily activities unless the project was preapproved for additional funding, and \$500,000 for single-family activities. KHC will allow eligible applicants to request a maximum of \$500,000 of HOME funds during an application round. The amount may decrease depending on the amount of available HOME funds. KHC may impose a smaller amount for first time applicants, or applicants with limited experience. KHC may allow higher amounts for multifamily projects utilizing tax-exempt bonds or based on the size and complexity of projects. In addition, KHC reserves the right to allow single-family and TBRA activities to request higher amounts if it is necessary to fully distribute HOME funding. Additionally, KHC will review the capacity of applicants and may require applicants for HOME funds to meet a minimum capacity score to be eligible for funding. Consideration will be given to factors such as past performance, current debt obligation to KHC and compliance with past funding. KHC will reserve a minimum of 15 percent of the total amount of HOME funds received for Community Housing Development Organizations (CHDOs). CHDOs apply to KHC to develop, sponsor or own projects and will be eligible to undertake any eligible activity in accordance with 24 CFR Part 92 Subpart G. Due to the extensive network of nonprofit housing providers in the state, KHC anticipates that the annual participation of CHDOs will exceed 15 percent of total HOME funds. To apply for funds from the CHDO set-aside, an organization must be eligible to be a CHDO. KHC does not accept certifications of other participating jurisdictions. KHC will evaluate the performance of any eligible organization wishing to receive CHDO designation at the time of application. If the organization is successful in the application process and is deemed a CHDO, CHDO operating funds may be awarded. CHDO operating funds will be provided on a year-by-year basis provided funds are available and the CHDO has demonstrated acceptable performance. To document its performance and be eligible to receive operating funds, the CHDO must provide quarterly progress reports. CHDO operating funds are awarded on a yearly basis coinciding with KHC's fiscal year. Draw requests for eligible expenditures may be made on a calendar quarter reimbursement. KHC has imposed a maximum direct homebuyer subsidy cap of \$40,000 per unit for and a maximum development gap subsidy cap of \$25,000 for HOME-funded homeownership activities. However, KHC reserves the right to allow subrecipients to exceed this maximum with prior written approval or a public notice. All HOME funds used for homeownership activities will be required at a minimum to meet the HOME affordability period as established in 24 Part 92.254. Additional guidance on maximum subsidy cap and affordability periods will be detailed in the 2024 KHC Homebuyer Home Repair Programs Application Guidelines Scoring Criteria as well as the KHC 2024 Single-Family Homebuyer Development Policy Manual.

	<p><b>What are the outcome measures expected as a result of the method of distribution?</b></p>	<p>KHC anticipates that due to the capacity and threshold requirements, there may be a limited number of applicants for funding, but by increasing the allocation amounts, applicants with greater capacity will be awarded funds. This will also allow KHC to meet the expenditure deadlines imposed with the HOME regulations in effect after August 23, 2013. Outcome measures include availability/affordability/accessibility of decent affordable housing.</p>
4	<p><b>State Program Name:</b></p>	<p>Housing Opportunities for Persons with AIDS</p>
	<p><b>Funding Sources:</b></p>	<p>HOPWA</p>
	<p><b>Describe the state program addressed by the Method of Distribution.</b></p>	<p>Any activity that qualifies under the HOPWA federal program rules may be awarded by KHC through the federally funded state HOPWA Program, provided it is consistent with the Consolidated Plan and this Action Plan. Activities eligible for funding include Tenant-Based Rental Assistance; Short-Term Rent, Mortgage, and/or Utilities; Supportive Services; Resource Identification; Housing Information Services; Permanent Housing Placement; and Administrative Fees. KHC reserves the right to further restrict any of the HOPWA program guidelines, as approved by HUD.</p>

<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>The FFY2024 allocation of HOPWA formula funding will be awarded to current HOPWA subrecipients on a renewal basis resulting from a competitive application held in Spring 2023 for FFY2022 funds as the third year of a 3-year grant cycle. FFY2024 funds will be awarded on a renewal basis in Spring 2025 with allocations made proportionally to subrecipients based in changes to formula funding from FFY2023. During the funding competition, applicants will be reviewed based on project need and agency experience and funds will be awarded on a three-year basis.</p>
<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>N/A</p>

<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	<p>N/A</p>
<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>As described earlier in this section relating to the how funds are allocated and the criteria used to select project sponsors, KHC utilizes a competitive application process every three years that is open to all eligible applicants, including grassroots faith-based organizations and other community-based organizations. To be eligible to apply for funding, an organization need only meet the eligibility criteria established by HOPWA statute and regulations. KHC advertises the availability of applications on its website and notifies the public via electronic newsletters. One of the three organizations currently funded with HOPWA funds is Matthew 25 AIDS Services, which was established by the Zion United Church of Christ in Henderson, KY.</p>

<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>While KHC has not established minimum or maximum funding amounts by category, in general, most agencies request the largest amount of funding for STRMU, TBRA, and services. Housing assistance in the form of long- and short-term rent subsidies continues to be in high demand in all areas of the state.</p>
<p><b>Describe threshold factors and grant size limits.</b></p>	<p>At this time, threshold limits are not restricted. The amount of funds allocated for each activity will be based on the nature of applications received by KHC. KHC will make every attempt to distribute funds geographically, contingent upon overall application submission scoring. KHC will utilize carryover funds from prior years and/or recaptured funds as necessary to meet the objectives of the state.</p>

	<b>What are the outcome measures expected as a result of the method of distribution?</b>	HOPWA programs will be evaluated based on the outcome measures currently identified in the HUD 40110-D CAPER (Housing Status at program exit, reduced risk of homelessness and access to care and support), with emphasis on housing status at program exit. Because the housing portions of STRMU and TBRA are where most of the funds are utilized, the housing results will be most important.
5	<b>State Program Name:</b>	National Housing Trust Fund
	<b>Funding Sources:</b>	HTF

<p><b>Describe the state program addressed by the Method of Distribution.</b></p>	<p>The National Housing Trust Fund (HTF) program will be used to finance the construction or rehabilitation of affordable rental housing whose units receive rental subsidy. Activities eligible for funding include demolition in conjunction with rehabilitation or new construction, adaptive reuse of an existing structure into affordable rental units, new construction of affordable rental units, and rehabilitation of existing rental units. KHC may fund additional activities permitted by federal regulation. Activities that qualify under the HTF Rule, Sections 24 CFR 93.200 – 203, may be financed by the HTF Program, provided it is consistent with the Consolidated Plan, this Action Plan, and any NOFA or QAP issued to award HTF funds, as they may be amended from time to time. Eligible recipients will be multifamily housing developers who meet KHC's capacity threshold and who meet the criteria for successful applications for funding for new construction or rehabilitation of affordable multifamily projects in Kentucky. Capacity is based on experience and capacity, compliance monitoring history, financial management, and additional criteria related to the status of projects in process, uncorrected compliance findings or concerns (if any), success of current projects/properties, and credit rating of members of the development team. KHC supports development teams that have successfully undertaken multifamily development or preservation projects for affordable housing utilizing tax-exempt bonds during the preceding five years. Application submissions will be in response to the 2023 Tax-Exempt Bond NOFA, as well as 2024 Low Income Housing Tax Credit (LIHTC) Funding Round. Additionally, KHC made a one-time offering of HTF funds in a Tax-Exempt Bond NOFA specifically targeted toward Western Kentucky counties impacted by the 2021 presidentially-declared tornado disaster. Notification that applications are being accepted will be made via KHC's eGram service. The LIHTC application is competitive. In addition to the bond and housing credits allocated, successful applicants may be funded from other available sources for multifamily housing, including HOME and state Affordable Housing Trust Fund. LIHTC applications will be reviewed and scored during the competitive process. The development team information received will be reviewed to ensure the development team has the capacity and financial strength to develop, construct and manage a LIHTC project. KHC's credit committee will meet to discuss and prioritize each response according to the final score and available credit.</p>
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<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>KHC will focus on projects with some form of project-based rental assistance. Projects that have the highest scores based on the scoring criteria established for the 2024 LIHTC Funding Round and/or preferences set forth in the 2023 Tax-Exempt Bond NOFA and 2024 Western Kentucky Disaster Response NOFA will be considered for funding. Respondents must meet the requirements of the 2023-2024 Qualified Allocation Plan (QAP) and 2023-2024 Multifamily Guidelines located at: <a href="https://www.kyhousing.org/Partners/Developers/Multifamily/Pages/Applications-Guidelines-Scoring.aspx">https://www.kyhousing.org/Partners/Developers/Multifamily/Pages/Applications-Guidelines-Scoring.aspx</a>. Projects must be completed and placed in service no later than 36 months after the date of the closing of all KHC funds. All projects must clearly address one or more impediments to fair housing. Respondents must identify fair housing impediments in KHC’s Analysis of Impediments to Fair Housing (AI). If the project is in a HOME participating jurisdiction, the project must also address one or more impediments in the local jurisdiction’s AI. Project Characteristics include but are not limited to - projects that preserve multifamily property; adaptively reuse a building as affordable housing; new construction projects that are part of a Community Revitalization Plan and the community has dedicated funding to support the plan. Projects that have project-based Section 8 or other rental subsidy for at least 75 percent of units across the collective project. Market Absorption and Market Capture Requirements - all projects, define and justify the absorption period, absorption rate and capture rate for the property noting when the project is expected to achieve 93 percent occupancy. Capture rates and absorption rates are required to recognize other funded projects in its market study review. In the event two or more projects are submitted from the same geographical region, KHC staff will determine, through market study reviews, that the targeted market for that region will be able to absorb each project, noting the impact that capture rates and market absorption will have on existing and proposed projects in the area also funded by KHC. Market study considerations may cause a property or a project to be denied funding or have funding reduced during the application and technical submission phase.</p>
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<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>N/A</p>
<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	<p>N/A</p>

<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>N/A</p>
<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>The single funding category for this program is the production of new multifamily housing or rehabilitation of existing multifamily housing for households who are extremely low income (or very low income in years where adequate funding allows for more than one income level to be served under the program regulations).</p>

<p><b>Describe threshold factors and grant size limits.</b></p>	<p>Pursuant to HUD Notice 15-003, Interim Policy on Maximum Per-Unit Subsidy Limits for the HOME Program, KHC has elected to utilize the HOME per-unit limits for the HTF program, as provided by HUD which establishes the following per unit maximum:</p> <p>0 Bedroom - \$173,011</p> <p>1 Bedroom - \$198,331</p> <p>2 Bedroom - \$241,176</p> <p>3 Bedroom – \$312,005</p> <p>4+ Bedroom – \$342,482</p> <p>There is no maximum award amount associated with this program. KHC will make every effort to distribute HTF funds geographically. The ability to do so may be limited by the location of eligible applicants and projects that receive adequate scoring to be funded. Projects must be completed within 36 months of the date of the award of HTF funds. Recipients must present a project timeline demonstrating the ability to close on all funds requested, including any bond transaction, by one year from application. KHC’s NHTF program includes a requirement that assisted units also include rental subsidy. An exception may be made for mixed-income developments or if funds remain unallocated after the issuance of a NOFA for NHTF funds. A second funding round to allocate remaining funds may not include this provision. KHC’s program includes a 30-year recorded land use restrictive covenant for all projects receiving NHTF Funding. While KHC’s priority housing needs include affordable rental and homeowner housing, and tenant-based rental assistance as equal priorities, KHC has focused on rental projects that serve special needs and the elderly as well as those that preserve existing housing stock. NHTF funds will be allocated in conjunction with LIHTCs and Tax-Exempt Bonds. Projects funded under the NHTF will be those that receive LIHTCs and Tax-Exempt Bond financing, both of which are non-federal sources of funding, and leveraged funds will be the majority of funds in the total financing of these projects.</p>
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<b>What are the outcome measures expected as a result of the method of distribution?</b>	Outcome measures include availability/affordability/accessibility of decent affordable housing.
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**Discussion:**

Each program has a specific, individual method for distribution of funds. KHC and DLG periodically announce funding rounds via eGrams and on their websites.

## AP-35 Projects – (Optional)

Introduction:

#	Project Name

Table 9 – Project Information

**Describe the reasons for allocation priorities and any obstacles to addressing underserved needs**

## AP-38 Project Summary

### Project Summary Information

Project Name	Target Area	Goals Supported	Needs Addressed	Funding	Description	Target Date	Estimate the number and type of families that will benefit from the proposed activities	Location Description	Planned Activities
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## **AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)**

**Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?**

Yes

### **Available Grant Amounts**

The Section 108 Loan Guarantee Program will allow Kentucky to leverage up to five times its annual CDBG allocation for large-scale economic development and community projects. Considering current market conditions and to encourage development in Kentucky, the Commonwealth is now considering applications from non-entitlement communities that the Commonwealth may submit to HUD on behalf of these communities for the Section 108 Loan Guarantee program. Funds borrowed using Section 108 requires a pledge of the Commonwealth's current and future CDBG allocations. The Section 108 program provides an additional source of funds to address significant economic development and community projects which have a regional or statewide impact.

### **Acceptance process of applications**

Applicants must submit an original and one (1) copy of a program specific project application. Activities described in the application are reviewed to determine if they meet the fundability criteria as established in the Housing and Community Development Act. Project activities must meet one of the three National Objectives as referenced in Section II. CDBG program staff review applications and prepare a project summary/review. Staff submit their summary to a review committee designated by the Commissioner. The committee will meet and evaluate projects based on the review criteria and staff comments. The committee will determine approval, rejection, or deferral. In the event demand exceeds the amount of funds available, those projects with the greatest need and effectiveness are for funding.

## **AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)**

**Will the state allow units of general local government to carry out community revitalization strategies?**

Yes

### **State's Process and Criteria for approving local government revitalization strategies**

DLG does not have a designated Revitalization Program. DLG allows communities, within the regular guidelines, to choose a specific area of focus and carry out various kinds of eligible revitalization activities, over time. A city or county may include any eligible CDBG activity in a revitalization strategy. Most of the activities fall in the Community Projects or Housing program areas. This includes projects such as senior centers, health and wellness centers, housing rehabilitation, and slum and blight removal. A community can choose to Economic Development projects as well. Many projects include partnerships with funds from other sources and participation of non-project agencies. For additional information on the process and approval of CDBG revitalization projects, please go to the DLG web page at [http://kydlgweb.ky.gov/FederalGrants/16\\_CDBG.cfm](http://kydlgweb.ky.gov/FederalGrants/16_CDBG.cfm).

## **AP-50 Geographic Distribution – 91.320(f)**

### **Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed**

CDBG: Statewide, Excluding Entitlement cities/areas. All cities and counties in Kentucky are eligible for participation in the CDBG Program except for the cities of Ashland, Bowling Green, Covington, Elizabethtown, Henderson, Hopkinsville, Owensboro, the City of Lexington/Fayette County and City of Louisville/Jefferson County Metro Government which receive a direct allocation of CDBG funds from the federal government.

HOME: Based upon demand for available funds, KHC will make every effort to ensure that the HOME funds are disbursed geographically. Reservations of HOME funds will be monitored throughout the year. If deemed appropriate, KHC may discontinue allowing applications from certain areas of the state if the area has already received greater funding as compared to other areas of the state. Such a hold on applications would only continue until KHC could ascertain the demand for funds in all areas of the state.

ESG: All of Kentucky's allocation must be made available to Balance of State Continuum of Care cities and counties or private nonprofit organizations on a competitive basis. Because funds requested are always more than what is available, KHC will continue the practice of only funding ESG applicants serving clients in non-entitlement ESG areas. It is KHC's intention to fund eligible applicants representing a broad geographic area in the state. A competitive application will be conducted in Spring 2024 to allocate ESG funds on a 2-year basis with proportional renewals based on the changes in ESG entitlement funding in the second year of the grant.

HOPWA: Eligible applicants are nonprofit agencies and local governments across the state. HOPWA funding application awards have been very consistent for several years with funding reaching the entire state. HOPWA-funded agencies cover large service areas, which allows for all counties within KHC's balance of state to be covered by HOPWA funding. The FFY2024 allocation of HOPWA formula funding will be awarded to current HOPWA subrecipients on a renewal basis resulting from a competitive application held in Spring 2023 for FFY2022 funds as the third year of a 3-year grant cycle. FFY2024 funds will be awarded on a renewal basis in Spring 2025 with allocations made proportionally to subrecipients based in changes to formula funding from FFY2023.

HTF: Based upon demand for available funds, KHC will make every effort to ensure that the HTF funds are disbursed geographically.

All funds are allocated through competitive funding applications submitted for eligible activities.

## Geographic Distribution

Please note this table will be updated when HUD releases the CPD Program Formula Allocations for FY2024.

Target Area	Percentage of Funds
Non-Entitlement Geographic Area	90
Statewide	10

Table 10 - Geographic Distribution

### Rationale for the priorities for allocating investments geographically

In general, investments are not allocated geographically. KHC will continue to make an effort in distributing HTF funds geographically (by congressional district) dependent upon market need and eligible projects. Tax Exempt Bond projects must adhere to Kentucky Housing Corporation's QAP, which includes a provision allowing KHC to allocate resources to achieve a mix of resource usage or geographical distribution of resources among Kentucky's congressional districts. Funding allocation proposals are finalized through KHC's credit committee review. One of the purposes of the QAP is to provide as many rental housing projects as possible while considering geographical need, size and cost per unit, long-term viability depending on the funds available, applications received, and their location. As part of the credit committee's selection process, the location of all proposed projects is reviewed to determine if allocations are distributed across the state.

Not applicable for CDBG funding.

### Discussion

Funds under HOME, ESG, and HOPWA are targeted to areas of the state that do not receive a direct allocation from HUD. HTF funds may be allocated to projects located anywhere in Kentucky, based on project ranking and limitations addressed in any NOFA issued. For this reason, the state estimates that 10% of funds will be allocated in the target area. Additional information on HTF funds is included in the HTF Allocation Plan included in this Action Plan.

## Affordable Housing

### AP-55 Affordable Housing – 24 CFR 91.320(g)

**Introduction:**

ESG shelter activities are included in the homeless goal.

One Year Goals for the Number of Households to be Supported	
Homeless	2,800
Non-Homeless	300
Special-Needs	180
Total	3,280

**Table 11 - One Year Goals for Affordable Housing by Support Requirement**

One Year Goals for the Number of Households Supported Through	
Rental Assistance	1,750
The Production of New Units	73
Rehab of Existing Units	11
Acquisition of Existing Units	0
Total	1,834

**Table 12 - One Year Goals for Affordable Housing by Support Type**

**Discussion:**

Homeless one-year goal includes persons in emergency shelters and those who received rapid-rehousing assistance. Non-homeless are those who were assisted with homeless prevention funds. Special needs goals include those who received HOPWA rental and/or short-term rental/mortgage/utility assistance.

One year goals in include:

- Rental assistance - HOME TBRA, HOPWA Tenant-Based Rental Assistance, and ESG Rapid-Rehousing Assistance
- New Units - Homeownership and rental new construction units under HOME
- Rehab Units - HOME and CDBG homeowner rehab units and HOME rental rehab units.

Goals in both tables represent units completed during the year rather than those awarded funding in keeping with HUD's annual reporting requirements.

## **AP-60 Public Housing - 24 CFR 91.320(j)**

### **Introduction:**

The KHC Tenant Assistance Program (TAP) does not manage any public housing. The TAP continues to administer the Housing Choice Voucher (HCV) Program in areas of the state that are not served by a local public housing authority (PHA). KHC aggressively pursues any new voucher funding opportunities to add to the current capacity of the HCV program.

As of December 2023, TAP served 4235 households through housing choice vouchers, including project-based vouchers. Of households served, several were for designated special populations: 435 Mainstream 5; 350 Non-Elderly Disabled; 52 VASH; 257 Emergency Housing Choice Voucher (EHV) and 25 Housing Stability Vouchers.

There are approximately 106 public housing agencies in Kentucky that manage conventional public housing units. PHAs play an important role in filling the gap between the need and supply of affordable rental housing. These agencies provide housing for over 32,000 families statewide.

### **Actions planned during the next year to address the needs to public housing**

The TAP is focused on program utilization during 20223, with a minimum of 98% of housing assistance funds received from HUD expended for the calendar year. The TAP HCV Waiting List is currently closed due to the high volume of applicants. Monthly voucher offers continue. TAP will continue to monitor the need to open the HCV waiting list monthly. KHC will increase outreach to potential owners to maintain an adequate supply of affordable housing for the HCV program.

KHC has been actively working with local PHA's as they pursue repositioning under HUD's Rental Assistance Demonstration (RAD) Program. KHC has encouraged the use of tax-exempt bond financing to assist with the RAD conversion process and have included preferences for PHA's pursuing RAD in recent Notification of Application of Funding (NOFA) opportunities.

KHC, through its Housing Choice Voucher program available in 87 counties, created the Kentucky Moving On initiative in 2017. The program is a partnership with the Kentucky Balance of State Continuum of Care whereby persons currently in CoC-funded permanent supportive housing units who are no longer in need of intensive case management and supportive services may transition out of the PSH-funded resource into a Housing Choice Voucher within the community. The program allows people who have achieved housing stability to transition into community-based housing and frees up limited PSH resources for persons with more severe needs, such as those experiencing chronic homelessness. Additionally, via competitive grants awarded in 2019 and 2020, KHC received 300 Mainstream Vouchers that can serve households with a non-elderly member with a disability. It is anticipated these vouchers can serve many persons experiencing or who have experienced homelessness in need of a permanent housing subsidy. Continuum of Care partner

agencies refer clients with a history of homelessness to KHC for these vouchers.

KHC's HCV program continues to administer 74 Family Unification Program (FUP) vouchers awarded in 2019 to assist transition-age youth and families. The program can assist the following two household types:

- Families for whom the lack of adequate housing is a primary factor in the imminent placement of the family's child(ren) in out-of-home care or the delay in returning child(ren) to the family from out-of-home care. (No time limit on assistance for FUP families.)
- Youth 18-24 years of age who left foster care, or will leave foster care within 90 days, in accordance with a transition plan and are homeless or are at risk of becoming homeless. (Maximum of 36 months, assistance for Youth may be extended for an additional 24 months with FSS participation.)

Case workers with the Cabinet for Health and Family Services refer clients to KHC for Family Unification Program vouchers.

In July 2021, KHC's Housing Choice Voucher program was awarded 257 new Emergency Housing Vouchers (EHV) through the American Rescue Plan (ARP) of 2021. EHV vouchers are to address the continued impact of COVID-19 pandemic on the economy, public health, State and local governments, individuals, and businesses. The program can assist the following Individuals and families:

- Experiencing homelessness
- At Risk of Experiencing homelessness
- Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking
- Recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability

In June 2023, KHC's Housing Choice Voucher program was awarded 25 Housing Stability Vouchers. The program can assist the following individuals and families:

- Individuals and families who are currently experiencing homelessness;
- Individuals and families at risk of homelessness
- Individuals and families fleeing or attempting to flee domestic violence, dating violence, stalking, sexual assault; and
- Veterans and families that include a veteran family member that meet one of the preceding criteria.

**Actions to encourage public housing residents to become more involved in management and participate in homeownership**

The Family Self-Sufficiency (FSS) Program, administered by KHC, provides supportive services to participants who possess a housing choice voucher when they sign a five-year contract of participation. The ultimate goal of this program is to help participants become self-sufficient by obtaining employment and becoming free of government assistance, including public housing. FSS participants receive employment skills training, budget and credit counseling, money management tips and homeownership education. KHC also establishes a savings account with monthly deposits based on the participant's increased earnings. FSS graduates are encouraged to use the escrow funds as a down payment on a home, but this is not mandatory.

**If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance**

KHC, as the balance of state PHA, is currently designated as a High performer.

**Discussion:**

## **AP-65 Homeless and Other Special Needs Activities – 91.320(h)**

### **Introduction**

Please see the appendix in AD-26 for the entirety of AP-65.

### **Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including**

#### **Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

Please see the appendix in AD-26 for the entirety of AP-65.

#### **Addressing the emergency shelter and transitional housing needs of homeless persons**

Please see the appendix in AD-26 for the entirety of AP-65.

#### **Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

Please see the appendix in AD-26 for the entirety of AP-65.

#### **Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs**

Please see the appendix in AD-26 for the entirety of AP-65.

### **Discussion**

Please see the appendix in AD-26 for the entirety of AP-65.

**AP-70 HOPWA Goals – 91.320(k)(4)**

<b>One-year goals for the number of households to be provided housing through the use of HOPWA for:</b>	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	150
Tenant-based rental assistance	75
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	0
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0
Total	225

## **AP-75 Barriers to affordable housing – 91.320(i)**

### **Introduction:**

Many of the barriers to affordable housing in Kentucky are concentrated at the local level rather than at the state level, as cities and counties establish regulations, plans and policies that affect their jurisdiction. The overall demand for affordable housing and the lack of funding to fulfill the demand continues to be the biggest barrier statewide. In 2020, KHC also drafted an updated Analysis of Impediments. Please see the appendix in AD-26 attached to this plan for more details about actions taken to address issues identified in the AI.

### **Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment**

- KHC shifted to a more digital approach to celebrate its work and to influence change. The corporation launched “Bringing It Home with KHC” in 2023, a podcast with an accompanying blog. There, KHC staff members interview partners, influencers, customers and program recipients to tell the story of affordable housing in Kentucky. It is a more powerful, interactive way to show the state of affairs and where the state wants to go. The blog also serves as a warehouse for all of the stories of KHC’s groundbreaking, ribbon-cuttings, home dedications, events and Success Stories. The website housing both the podcast and blog is searchable from anywhere in the world and shareable, making it more accessible to a broader audience and able to spread our message more easily.
- Continue to allocate LIHTC funding to projects that prioritize higher opportunity areas and avoid concentrations of affordable housing.
- Evaluate tools and methods to connect people to housing, such as housing service locator tools and landlord recruitment.

### **Discussion:**

KHC will continue its efforts to create and expand housing opportunities considering the above referenced barriers. It will attempt to do so through education and funding.

KHC will continue to grow and expand its marketing efforts to communicate the need and benefits of affordable housing. It already has a robust social media presence, a widely attended Kentucky Affordable Housing Conference and a burgeoning blog and podcast. KHC aims to build on all of those efforts to make them even more effective to tell the story of not only the impact KHC’s programs and partners have, but also the effect affordable housing could have if funded and supported more fully.

## **AP-85 Other Actions – 91.320(j)**

### **Introduction:**

#### **Actions planned to address obstacles to meeting underserved needs**

KHC plans to address the following obstacles to meeting the housing needs of underserved populations:

Existing rental housing is lost due to expiring contracts and affordability periods. KHC is undertaking a plan to preserve existing housing including offering financing programs to update and preserve properties and extend affordability periods, ensuring the housing remains available to low-income households. Part of KHC's efforts to meet this underserved need by increasing the supply of affordable rental housing for extremely low-income and very low-income households includes combining sources of funding (Housing Tax Credits, Tax-Exempt Bonds, Housing Trust Fund) to fund projects using a blend of financing mechanisms and block grant funds along with project-based rental assistance. This method of financing has allowed KHC to increase the number of housing units it can produce each year to meet this underserved need. Projects funded under the National Housing Trust Fund must be deed-restricted to remain affordable for 30 years – a period much longer than other sources of funding.

Youth experiencing homelessness will continue to be assisted under CoC grants initially awarded to an 8-county region in southeastern Kentucky under Round 1 of the Youth Homelessness Demonstration Project that are now in renewal status.

In February 2022, KHC launched the Housing Connector Team to provide housing navigation

In February 2022, KHC launched the Housing Connector Team to provide services for specialized voucher holders experiencing homelessness who have been referred to the Emergency Housing Voucher, Mainstream Voucher, and, as of December 2023, Supportive Housing Voucher programs. Services include: client driven unit identification, landlord outreach/negotiation, HCV application assistance, housing search/placement services, and connection to mainstream benefits. The Housing Connector Team has tremendously increased lease up rates for these specialized vouchers and KHC was awarded a Rural "Special NOFO" award to continue Housing Connector Services in 99 rural Kentucky counties.

#### **Actions planned to foster and maintain affordable housing**

The Consolidated Plan addresses a variety of needs for affordable housing and community development that were derived from input at local levels across the state and utilizing housing data. The plan represents a wide array of needs. While one community may need rental housing production at a specific site, another community may need homeowner rehabilitation over a scattered site. For the state to address its community needs, the block grant programs need a level of flexibility for eligible activities to be undertaken. The state will support any application for funding under both federal and private sources that

will assist the state in meeting any category of need for affordable housing and community development. The Housing Policy Advisory Committee consists of 10 ex-officio state government members, 17 at-large members appointed by the chairman of the Board of Directors of KHC, a member of the Senate and a member of the House of Representatives. The advisory committee submits an annual report of activities and recommendations to the governor. The Housing Policy Advisory Committee includes numerous subcommittees, including a data subcommittee. This subcommittee reviews needs data annually and makes recommendations to KHC on priorities, which are considered when drafting each annual action plan.

Kentucky's block grant funds will be distributed throughout the state on a competitive basis for eligible activities through several methods described in the program guidelines for each program for the purposes of preserving existing affordable housing as well as fostering new affordable housing opportunities. Units of local government, nonprofit and for-profit entities will be able to apply for funding to carry out eligible activities. This distribution system allows eligible agencies to apply for funding for activities that will address the priority needs for their community. In addition, funds awarded to local communities will also address the housing needs outlined in the state's Consolidated Plan.

### **Actions planned to reduce lead-based paint hazards**

Both KHC and DLG have a commitment to ensure that recipients of HOME, CDBG, ESG, HTF and HOPWA funds administer programs that adequately limit the risks associated with lead-based paint. Program administrators assist in statewide and local efforts to detect and abate lead-based paint as appropriate. Recipients of funding through these block grant programs are required to comply with all federal, state, and local lead-based paint regulations. KHC and DLG staff members take several steps to fulfill their responsibility regarding lead-based paint hazards. Applicants for HOME, ESG, HTF and HOPWA funds are made aware of the requirements of the lead-based paint regulations as they apply for funds. If funded, applicants receive additional formal training and individual technical assistance provided by staff. This technical assistance is available through the life of the project.

Inquiries regarding lead-based paint hazards, evaluation and screening are often referred to the Environmental Lead Program administrator at the Kentucky Department of Public Health. To assist with the cost of lead-based paint removal activities, KHC allows HOME funds to be used in the form of a grant for homeowners receiving assistance for homeowner rehabilitation activities. KHC adopted an environmental assessment policy several years ago. During the next fiscal year, KHC anticipates a review of the current policy to determine whether it requires revision. The current policy requires a Phase I environmental assessment for many projects. Dependent upon the findings of a Phase I review, a Phase II review may be required. KHC staff members perform visual inspections to identify possible lead-based paint hazards for projects wishing to use block grant funds. Several inspections of projects involving rehabilitation are performed during the construction process. In addition, Housing Quality Standards (HQS) inspections are performed at rental properties throughout the state.

DLG has adopted a policy on lead hazard reduction in keeping with federal regulations. For projects involving a home constructed prior to 1978, grantees are notified of the hazards of lead-based paint. In addition, if housing built prior to 1978 is being rehabilitated, the housing must be inspected for defective paint. If surfaces are found to be defective, they must be treated during rehabilitation.

Full abatement of lead-burdened housing is a worthwhile goal. However, it is costly, and caution must be taken to ensure that the work is performed in a safe manner by certified workers. Additional information about lead-based paint abatement is available through the Department of Public Health, the federal Environmental Protection Agency, KHC and DLG.

### **Actions planned to reduce the number of poverty-level families**

KHC and DLG have been providing affordable housing and economic development opportunities to decrease the number of poverty-level families living in unsafe and unaffordable housing. KHC's programs range from homeless assistance and Section 8 rental assistance to homeownership and housing financing programs. DLG housing programs are typically, but not limited to, single-family housing rehabilitation. DLG offers many non-housing programs that focus on community and economic development to combat poverty.

Long-term anti-poverty CDBG objectives include:

- Encouraging private investment that will result in the creation of new jobs for the unemployed and underemployed.
- Discouraging the out-migration of businesses that employ and serve the local population.
- Fostering a revitalization of community structure to help communities help themselves.
- Enabling local communities to plan for future community development needs.

Housing, whether rental or ownership, is viewed as one of the major components in assisting individuals and families in overcoming the struggles of poverty. It takes a combination of many activities, such as job training and education, health, and childcare assistance as well as a place to call home to effectively assist families on the continuum towards self-sufficiency. A variety of affordable housing programs across the state not only provide direct financial assistance with housing costs, but combine housing assistance with social programs, such as life skills training, job training, post-secondary education, and homeownership counseling.

To meet the goal of raising the standard of living for all low-income individuals and families, the state is committed to assisting individuals in achieving employment; continuing adult education and postsecondary education; childhood development intervention; adequate and affordable childcare for working families; increased access to health insurance coverage and the provision of affordable housing opportunities.

KHC will continue to fund the Scholar House program, designed to assist single parents in obtaining higher

education. These programs have been established at several universities across the state and provide housing and childcare for single parents enrolled in college. After graduation, the family may obtain housing using a rental voucher.

DLG will continue to fund traditional economic development activities that create or retain jobs principally benefiting low- and moderate-income persons. Nontraditional economic development projects are those which provide funding of activities including, but not limited to, job training and placement of other support services including peer support counseling, childcare, and transportation.

### **Actions planned to develop institutional structure**

KHC and DLG will continue to partner with a diverse number of entities from private industry, non-profit organizations, and public institutions in carrying out activities under the Consolidated Plan. DLG works directly with eligible units of local government in distributing CDBG funds. KHC is responsible for the administration of the HOME, ESG, HTF, and HOPWA Programs. Eligible applicants include, but are not limited to, units of local government, Community Housing Development Organizations (CHDOs), nonprofit housing organizations and for-profit developers. Direct technical assistance from program staff for the HOME, ESG, HTF and HOPWA programs is provided on a statewide basis to all eligible applicants. After funding is awarded, implementation and administration training are available to all recipients. In addition to administering the federal block grant programs, KHC and DLG administer other programs that partner with units of local government, CHDOs, nonprofit housing organizations and for-profit developers.

Both KHC and DLG depend on the active participation of partners to accomplish the overall goals of these programs of providing affordable housing opportunities to lower-income families and individuals across Kentucky:

- KHC administers Housing Choice Voucher Program funds in counties where there is no local housing authority.
- KHC works directly with HUD and the Federal Financing Bank (FFB) in the administration of the Risk-Sharing Program to increase the number of safe, decent, and affordable rental units throughout the state. When funding is available, KHC processes and underwrites the loan applications and, in the event of default, the mortgage insurance risk is shared between KHC and HUD.
- The Governor's Local Issues Conference is held annually and is attended by local officials from cities and counties throughout the Commonwealth.
- The annual Kentucky Affordable Housing Conference will be attended by representatives of various housing and related service organizations.
- KHC and DLG work with the Recovery Kentucky Task Force that advocates for substance abuse recovery services through long-term supportive housing, recovery programs aimed at addressing homelessness and recovery from addiction within the commonwealth.

- KHC coordinates the state's Housing Policy Advisory Committee and participates on the Kentucky Interagency Council on Homelessness.
- KHC works with nonprofit organizations across the state through the various programs offered at KHC.
- Many private housing developers utilize the Housing Credit Program, HOME, and HTF programs as well as other federal and state housing programs for the development of affordable rental housing across the state. Likewise, KHC continues to maintain relationships with several private developers who utilize HOME funds to provide homeownership opportunities for low-income Kentuckians.

### **Actions planned to enhance coordination between public and private housing and social service agencies**

The Kentucky Interagency Council on Homelessness (KICH) is composed of representation from state government, nonprofit and advocacy agencies to collaborate on homeless issues. KICH Executive Committee consists of the CEO of Kentucky Housing Corporation, Secretary of Health and Family Services Cabinet, Secretary of Justice and Public Safety Cabinet, Secretary of Education Cabinet, Secretary of Transportation Cabinet, Executive Director of Administrative Office of the Courts, State Budget Director, Commissioner of Veterans Affairs, Executive Director of the Homeless and Housing Coalition of Kentucky and one member from each house of the Kentucky General Assembly appointed by the Governor.

The KICH Steering Committee consists of representatives of the Executive Committee, state government agencies, homeless advocates, and service providers. The KICH Steering Committee has five policy subcommittees that mirror the core concerns identified in the Strategic Plan to End Homelessness. The policy subcommittees are supportive housing, services/prevention, public will, and data.

Serve Kentucky (formerly the Commission on Community Volunteerism and Service) is a statewide, bi-partisan group comprised of at least 15 members, appointed by the governor, with diverse service and volunteerism backgrounds. Serve Kentucky actively engages citizens in community service opportunities that enable volunteers, organizations, and businesses to share ideas and effectively collaborate to address Kentucky's needs. Serve Kentucky funding is provided by the Corporation for National and Community Service and the Kentucky General Assembly.

The Governor's Reentry Task Force – Statewide Reentry Steering Team was established to develop policy recommendations regarding the reduction of recidivism, enhancement of public safety and the furtherance of reentry efforts. The mission of Kentucky's Reentry initiative is to integrate successful offender reentry principles and practices in the Commonwealth of Kentucky state agencies and communities resulting in partnerships that improve public safety, enhance offender self-sufficiency, and reduce recidivism. The Kentucky Statewide Reentry Steering Team is developed to create a multidisciplinary work team to develop recommendations and provide information to the Governor's Reentry Task Force. The Kentucky Department for Behavioral Health, Developmental and Intellectual Disabilities coordinates funding focused

on the needs of that portion of the Olmstead population with severe and persistent mental illness. These funds are used to move individuals from psychiatric hospitals and nursing facilities to apartments in the communities of their choice and for the construction of permanent supportive housing as funds become available.

The network of 100-bed Recovery Kentucky Centers are drug and alcohol-free housing for persons who are homeless or at risk for homelessness due to their continued dependence on alcohol and drugs. These housing centers provide a safe and secure environment for men and women to begin a process of self-help and peer-led education that leads to long term sobriety. The Recovery Kentucky program model is designed to help the recovering alcoholic/addict regain a life of sobriety and to begin a journey toward permanent housing and self-sufficiency.

The FSS Provider Coordinating Committee (PCC) is established to assist KHC with planning and implementing the FSS Program. Members are representatives from state, local, and private groups who have resources to assist low-income families and have a commitment to family self-sufficiency.

**Discussion:**

Continued from above: Recipients of federal funds from DLG and KHC are required to adhere to federal Section 3 regulations that provide economic opportunity to low-income residents of the neighborhoods affected by the project and businesses owned by persons of low income. KHC's Multifamily Production programs include incentives to de-concentrate poverty for new construction projects. The state's Analysis of Impediments to Fair Housing discusses de-concentrating poverty as well. KHC's Housing Choice Voucher program has materials in the briefing process to educate families about seeking housing that is not in a racial or ethnic area of concentrated poverty or concentrated area of housing vouchers.

## Program Specific Requirements

### AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

#### Introduction:

#### Community Development Block Grant Program (CDBG)

##### Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
<b>Total Program Income:</b>	<b>0</b>

#### Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	91.00%

#### HOME Investment Partnership Program (HOME)

##### Reference 24 CFR 91.320(k)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

An applicant that proposes to use any other form of investment not described in 25 CFR 92.205 must

provide the following when applying:

- A description of the form of investment;
  - Justification for the need for the form of investment; and
  - A description of the proposed means of securing the investment, if any. KHC will not permit other forms of investment without prior HUD approval.
  - Additionally, the only preferences applied to HOME funding are as follows:
  - For homebuyer activities: Households earning at/below 80% AMI and with non-home assets below \$50,000.
  - For rental activities: Households earning at/below 60% AMI and, when HOME is allocated along with Tax-Exempt Bond or LIHTC financing, projects that will create new rent-restricted multifamily units or preserve rent-restricted and/or rent-assisted multifamily properties. KHC will permit HOME-assisted homebuyer units to be acquired via lease-purchase as allowed under 24 CFR 92.254(a)(7).
  - In NOFAs for individual formula allocation programs, KHC delineates in detail the eligible applicants and beneficiaries of each program. KHC also identifies funding priorities in individual program NOFAs as well as in the LIHTC Qualified Allocation Plan.
2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

For homeownership activities, KHC requires all HOME funds to be repaid at the time the property is transferred to another owner.

If the property is sold, leased, refinanced, or no longer used as the primary residence of the assisted homeowner; KHC may recapture the AHTF or HOME funds. In the event the net proceeds from a sale are insufficient to repay KHC the HOME or AHTF investment, KHC will recapture the net proceeds. In the event of foreclosure, if the shared net proceeds are insufficient to repay the HOME funds, the HOME affordability may be terminated, subject to 24CFR Part 92.254(a)(5)(ii)(A).

In the event an heir does not meet the 80 percent AMI limit on HOME-funded properties, the HOME investment must be recaptured.

See the HOME Homebuyer Program Recapture Provisions attached to this Action Plan for further detail.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds. See 24 CFR 92.254(a)(4) are as follows:

All HOME funds used for homeownership activities will be required, at a minimum, to meet the HOME

affordability period as established in 24 CFR Part 92.254. Additional guidance on maximum subsidy cap and affordability periods will be detailed in the Homebuyer/Home Repair Programs Application Guidelines and the KHC Single-Family Homebuyer Development Policy Manual. Additional information is included in the HOME Recapture Provisions attached to this Action Plan.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

KHC will not allow HOME funds to be used in the refinancing of existing debt secured by multifamily housing.

5. If applicable to a planned HOME TBRA activity, a description of the preference for persons with special needs or disabilities. (See 24 CFR 92.209(c)(2)(i) and CFR 91.220(l)(2)(vii)).
6. If applicable to a planned HOME TBRA activity, a description of how the preference for a specific category of individuals with disabilities (e.g. persons with HIV/AIDS or chronic mental illness) will narrow the gap in benefits and the preference is needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2)(ii) and 91.220(l)(2)(vii)).
7. If applicable, a description of any preference or limitation for rental housing projects. (See 24 CFR 92.253(d)(3) and CFR 91.220(l)(2)(vii)). Note: Preferences cannot be administered in a manner that limits the opportunities of persons on any basis prohibited by the laws listed under 24 CFR 5.105(a).

### **Emergency Solutions Grant (ESG) Reference 91.320(k)(3)**

1. Include written standards for providing ESG assistance (may include as attachment)

See ESG Written Standards are attached to this plan.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

The Kentucky Balance of State CoC (KY BoS CoC) has fully implemented its Coordinated Entry System (CES) in accordance with the HUD requirements. The KY BoS CoC began implementation of its CES in July 2015, with the establishment of a pilot project in a 16-county area of the 118-county BoS. With the lessons learned from that pilot, coordinated entry has been implemented across the entire geographic area governed by CoC-implemented policies and procedures. Since the geographic area is so large, the CoC is implementing coordinated entry by using smaller regional bodies called Local Prioritization Communities (LPCs), which mirror existing Area Development Districts (ADDs). All areas are utilizing a common assessment tool and are following policies and procedures adopted by the Ky BoS CoC

Advisory Board. The KY BoS CoC has elected to utilize the VI-SPDAT as its common assessment tool. All ESG and CoC-funded agencies are required to utilize the VI-SPDAT and to work with other housing and service providers in their local prioritization areas to enroll participants in permanent housing based on the participant's level of need. KHC serves as the CCES oversight entity. In November 2020, additional improvements were made to the CES based on lessons learned from multiple years of implementation, including feedback from participating organizations and participants. KHC now serves as the entity responsible for the provision of referrals to available permanent housing resources in each Local Prioritization Community via the KY Homeless Management Information System (KYHMIS). KHC has a dedicated staff member assigned to overseeing coordinated entry implementation. Four KY BoS CoC member agencies continue to receive CoC Supportive Services Only (SSO) grants to support their work as Coordinated Entry leads in their regions, and in the HUD 2021 CoC Competition, the KY BoS CoC was awarded a coordinated entry grant to support BoS-wide housing navigation services and two new regional Coordinated Entry lead grants. The KY BoS CoC Advisory Board has established a coordinated entry committee, which is charged with overseeing the implementation of coordinated entry in conjunction with KHC. The committee has worked closely with the Kentucky Coalition Against Domestic Violence to develop a process for victims of domestic violence to have access to the coordinated entry system without compromising potential privacy concerns.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

KHC will make ESG funds available to eligible non-profits (including community and faith-based organizations) and local governments from the 118 counties in Kentucky that do not receive ESG allocations from HUD as entitlement areas.

In 2024, KHC will hold a competitive application to award FFY2024 ESG dollars. Funds will be awarded on a 2-year basis which will also govern the allocation of FFY2025 ESG funds.

FFY2024 applications will be ranked based on score and allocations will be made based on applicant ranking, overall request, and expenditure rates from the FFY 2020, FFY2021, FFY2022. And FFY2023 ESG awards.

2024 applicants will be evaluated on such areas as: local needs, applicant experience/capacity/performance, project design, community coordination, and other factors. Applicants were and will continue to be required to also address Impediments to Fair Housing and adhere to Equal Access Rules.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

KHC can meet this requirement, as KHC's subrecipients are required to include at least one homeless or formerly homeless individual on their Board of Directors, or as a participant on an advisory board that reports directly to the subrecipient agency's Board of Directors. KHC is also engaging persons with lived experience of homelessness via a subcommittee of the CoC Advisory Board.

5. Describe performance standards for evaluating ESG.

KHC has implemented ESG Performance Standards for all subrecipient agencies. The primary outcomes KHC will monitor will be those established by HUD as part of the CoC System Performance Measures that are relevant to ESG programs, which includes:

- Reduction in the average and median length of time persons remain homeless;
- Reduction in the percent of persons who return to homelessness;
- Reduction in the number of persons who are homeless;
- Number of persons who become homeless for the first time;
- Successful placement from Street Outreach; and
- Successful placement in or retention of Permanent Housing

KHC will also focus on outcomes established in All In: The Federal Strategic Plan to Prevent and End Homelessness, which calls for coordinated efforts to end homelessness for veterans, youth, families, and chronically homeless in addition to persons experiencing homelessness overall.

**Housing Trust Fund (HTF)**  
**Reference 24 CFR 91.320(k)(5)**

1. How will the grantee distribute its HTF funds? Select all that apply:

Applications submitted by eligible recipients

2. If distributing HTF funds through grants to subgrantees, describe the method for distributing HTF funds through grants to subgrantees and how those funds will be made available to state agencies and/or units of general local government. If not distributing funds through grants to subgrantees, enter "N/A".

N/A

3. If distributing HTF funds by selecting applications submitted by eligible recipients,

a. Describe the eligibility requirements for recipients of HTF funds (as defined in 24 CFR § 93.2). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Eligible recipients will be multifamily housing developers who meet KHC's capacity review and criteria for successful applications for funding for new construction or rehabilitation of affordable multifamily projects in Kentucky. Capacity is based on experience, compliance monitoring history, financial management, additional criteria related to the status of projects in process, uncorrected compliance findings or concerns (if any), success of current projects/properties, and credit rating of members of the development team.

To create consistency throughout the Corporation, KHC utilizes a Capacity Scorecard for all program areas that have a competitive application or formula grant allocation process. The scorecard determines the overall capacity of the Entity or Development Team member(s) that will administer the proposed project and/or program they are applying for. The scorecard is divided in to three sections: Capacity Scorecard Threshold Requirements, Capacity Scorecard Self-Certifications, and Capacity Scorecard Overall Performance.

Application submissions will be in response to the 2023 Tax-Exempt Bond Notice of Funding Availability, 2024 Western Kentucky Disaster Tax-Exempt Bond NOFA and/or 2024 Low Income Housing Tax Credit (LIHTC) application round (and any successor notice if NHTF funds remain unallocated). Notification that applications are being accepted will be made via KHC's eGram service.

b. Describe the grantee's application requirements for eligible recipients to apply for HTF funds. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Projects that have the highest scores based on the scoring criteria established for the 2024 LIHTC Funding Round and/or preferences set forth in the 2023 Tax-Exempt Bond NOFA or 2024 Western Kentucky Disaster Tax-Exempt Bond NOFA will be considered for funding. Respondents must meet the requirements of the 2023-2024 Qualified Allocation Plan (QAP) and 2023-2024 Multifamily Guidelines located at: <https://www.kyhousing.org/Partners/Developers/Multifamily/Pages/Applications-Guidelines-Scoring.aspx>.

c. Describe the selection criteria that the grantee will use to select applications submitted by eligible recipients. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Application submissions will be in response to the 2024 Low-Income Housing Tax Credit (LIHTC) Funding Round and/or through a Tax-Exempt Bond Notice of Funding Availability (NOFA). Notification that applications are being accepted will be made via KHC's eGram service. The development team information received will be reviewed to ensure the development team has the capacity and financial strength to develop, construct and manage a LIHTC or tax-exempt bond project with HTF funds. Projects will also need to meet market absorption and market capture rate requirements as outlined in <https://www.kyhousing.org/Partners/Developers/Multifamily/Documents/MarketStudyRequirements.pdf>.

The required documentation received with each Tax-Exempt Bond NOFA response will be reviewed and evaluated for completeness, accuracy, and detail. After all NOFA responses have been reviewed, KHC's credit committee will meet to discuss staff recommendations for project funding according to the number of funding preferences the proposed project will meet. Projects which will address the greatest number of the preferences will be prioritized for funding until all available KHC funds have been allocated. Preferences include but are not limited to: equitable geographic distribution of KHC resources, projects with some form of rental assistance, projects repositioning under HUD's Rental Assistance Demonstration (RAD) Program, and innovative projects addressing the affordable housing needs of the Commonwealth.

The 2024 LIHTC application is competitive. Projects scoring the greatest number of points in their pool will be awarded first. Ten percent of the annual allocation will be awarded first to projects in which a nonprofit is materially participating as defined in Section 469 of the IRC. In addition to the housing credits allocated, successful applicants may be funded from other available sources for multifamily housing, including HOME, HTF, and state Affordable Housing Trust Fund. KHC's credit committee reviews final scoring prior to award announcements.

To see a full breakdown of applicant scoring please see the 2023-2024 Qualified Allocation Plan located at: <https://www.kyhousing.org/Partners/Developers/Multifamily/Pages/Applications-Guidelines-Scoring.aspx>.

d. Describe the grantee's required priority for funding based on geographic diversity (as defined by the grantee in the consolidated plan). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

KHC will make every effort to distribute HTF funds geographically. The ability to do so may be limited by the location of eligible applicants and projects that receive adequate scoring to be funded. KHC's credit committee reviews final scoring and awards to ensure geographic diversity.

e. Describe the grantee's required priority for funding based on the applicant's ability to obligate HTF funds and undertake eligible activities in a timely manner. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Tax Exempt Bond projects must be completed and placed in service no later than 36 months after the date of the closing of all KHC funds. Recipients must present a project timeline demonstrating the ability to close on all funds requested, including any bond transaction within the specified timeframe.

LIHTC projects must place in service no later than the close of the second calendar year following the calendar year in which the allocation is made in accordance with IRC Section 42(h)(1)(E)(i).

f. Describe the grantee's required priority for funding based on the extent to which the rental project has Federal, State, or local project-based rental assistance so that rents are affordable to extremely low-income families. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

KHC's national HTF program includes a requirement that assisted units also include rental subsidy. An exception may be if the project is a mixed-income development or if funds remain unallocated after the issuance of an application or NOFA for national HTF funds. A second funding round to allocate remaining funds may not include this provision.

g. Describe the grantee's required priority for funding based on the financial feasibility of the project beyond the required 30-year period. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

A thorough review of the project's underwriting is completed prior to the funding award, which includes a review of a proposed 30-year proforma. KHC's underwriting model requires an appropriate vacancy rate, debt coverage ratio requirements, cash flow requirements, and required reserve for replacement deposits to ensure the long-term sustainability and financial feasibility for every project.

KHC's program includes a 30-year recorded land use restrictive covenant for all projects receiving national HTF Funding.

h. Describe the grantee's required priority for funding based on the merits of the application in meeting the priority housing needs of the grantee (such as housing that is accessible to transit or employment centers, housing that includes green building and sustainable development features, or housing that serves

special needs populations). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Application submissions will be in response to the 2024 Low Income Housing Tax Credit (LIHTC) Funding Round or through a Tax-Exempt Bond Notice of Funding Availability (NOFA). The 2023-2024 Qualified Allocation Plan uses data in many scoring items, including the percentage of units in the proposed development as compared to the number of affordable units in the county (supply), the percentage of households at or below 60% AMI in the county (demand) and scores from Enterprise's Opportunity 360 tool on Housing Stability, Education, and Economic Security.

KHC understands the backlog of capital improvements in public housing throughout the Commonwealth, so a preference for projects repositioning under HUD's Rental Assistance Demonstration (RAD) Program has been included in the Tax-Exempt Bond Notice of Funding Availability.

i. Describe the grantee's required priority for funding based on the extent to which the application makes use of non-federal funding sources. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Application submissions will be in response to the 2024 Low Income Housing Tax Credit (LIHTC) Funding Round or through a Tax-Exempt Bond Notice of Funding Availability (NOFA). A substantial amount of private equity is created from the investors buying the credits and borrowers buying the bonds.

4. Does the grantee's application require the applicant to include a description of the eligible activities to be conducted with HTF funds? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

5. Does the grantee's application require that each eligible recipient certify that housing units assisted with HTF funds will comply with HTF requirements? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

6. **Performance Goals and Benchmarks.** The grantee has met the requirement to provide for performance goals and benchmarks against which the grantee will measure its progress, consistent with the grantee's goals established under 24 CFR 91.315(b)(2), by including HTF in its housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens.

Yes

**7. Maximum Per-unit Development Subsidy Amount for Housing Assisted with HTF Funds.** Enter or attach the grantee’s maximum per-unit development subsidy limits for housing assisted with HTF funds.

The limits must be adjusted for the number of bedrooms and the geographic location of the project. The limits must also be reasonable and based on actual costs of developing non-luxury housing in the area.

If the grantee will use existing limits developed for other federal programs such as the Low Income Housing Tax Credit (LIHTC) per unit cost limits, HOME’s maximum per-unit subsidy amounts, and/or Public Housing Development Cost Limits (TDCs), it must include a description of how the HTF maximum per-unit development subsidy limits were established or a description of how existing limits developed for another program and being adopted for HTF meet the HTF requirements specified above.

Pursuant to HUD Notice 15-003, Interim Policy on Maximum Per-Unit Subsidy Limits for the HOME Program, KHC has elected to utilize the HOME per-unit limits for the HTF program, as provided by HUD which establishes the following per unit maximum:

0 Bedroom - \$173,011

1 Bedroom - \$198,331

2 Bedroom - \$241,176

3 Bedroom – \$312,005

4+ Bedroom – \$342,482

**8. Rehabilitation Standards.** The grantee must establish rehabilitation standards for all HTF-assisted housing rehabilitation activities that set forth the requirements that the housing must meet upon project completion. The grantee’s description of its standards must be in sufficient detail to determine the required rehabilitation work including methods and materials. The standards may refer to applicable codes or they may establish requirements that exceed the minimum requirements of the codes. The grantee must attach its rehabilitation standards below.

In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; Capital Needs Assessments (if applicable); and broadband infrastructure (if applicable).

See attached Minimum Design Standards for New Construction, Adaptive Reuse, and Rehabilitation for Multifamily Attached Housing Units and Health and Safety Standards Chart.

The State's rehabilitation standards apply to all projects that will receive HTF funds.

**9. Resale or Recapture Guidelines.** Below, the grantee must enter (or attach) a description of the guidelines that will be used for resale or recapture of HTF funds when used to assist first-time homebuyers. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A".

N/A

**10. HTF Affordable Homeownership Limits.** If the grantee intends to use HTF funds for homebuyer assistance and does not use the HTF affordable homeownership limits for the area provided by HUD, it must determine 95 percent of the median area purchase price and set forth the information in accordance with §93.305. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A".

Any limitation or preference must not violate nondiscrimination requirements in § 93.350, and the grantee must not limit or give preferences to students. The grantee may permit rental housing owners to limit tenants or give a preference in accordance with § 93.303(d)(3) only if such limitation or preference is described in the action plan.

N/A

**12. Refinancing of Existing Debt.** Enter or attach the grantee's refinancing guidelines below. The guidelines describe the conditions under which the grantee will refinance existing debt. The grantee's refinancing guidelines must, at minimum, demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. If the grantee will not refinance existing debt, enter "N/A."

N/A

**Discussion:**

CDBG Specific: Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan: 2022, 2023, and 2024.

HOPWA Specific: Does the action plan identify the method for selecting project sponsors (including nproviding full access to grassroots faith-based and other community organizations)? YES

HTF Additional Information: There is no maximum award amount associated with the HTF program.

Additionally, information regarding the following can be found on the specified pages of the 2023-2024 Multifamily Guidelines attached to this Action Plan:

- Lead-Based Paint: pages 47, 53-54, 70
- Accessibility: page 112
- Disaster Mitigation: state building codes address earthquake resistant construction in higher risk zones; pages 31 and 47 of Multifamily Guidelines address flood plain
- State and local Codes, Ordinances, and Zoning Requirements: Minimum Design requires compliance with State and Local codes. Page 111 of Multifamily Guidelines addresses building codes; zoning is addressed on pages 27, 48, and 51
- Inspectable Areas and Observable Deficiencies from HUD's Uniform Physical Condition Standards identified by HUD as applicable to HTF-assisted housing: page 100
- Capital Needs Assessment: pages 32, 48, 93, 109, and 112-114 of Multifamily Guidelines address PCNA assessments and reserve accounts

# Appendix

## AP-65 Homeless and Other Special Needs Activities – 91.320(h)

### Introduction

The state has undertaken a multi-pronged approach to ensure that homelessness is rare, brief, and non-recurring. Central to this approach is the creation of a state policy-advisory entity, the Kentucky Interagency Council on Homelessness (KICH). KICH is composed of representation from state government, nonprofit, and advocacy agencies to collaborate and perform the following functions and duties:

- Serve as the single statewide homelessness planning and policy development resource for the Commonwealth of Kentucky.
- Review recommended changes and update Kentucky’s Strategic Plan to End Homelessness.
- Monitor and oversee implementation of Kentucky’s Strategic Plan to End Homelessness to ensure that accountability and results are consistent with the plan.
- Serve as a state clearinghouse for information on services and housing options for the homeless. Conduct other activities as appropriate.

Kentucky has three Continuum of Care geographic areas—Lexington (Fayette County), Louisville (Jefferson County) and the Kentucky Balance of State (KY BoS) (remaining 118 counties). KHC, as the Collaborative Applicant for the CoC Program for the KY BoS CoC, awards sub-grants to homeless service providers throughout the BoS. Through the CoC program, the ESG program, and other related programs such as the VA’s SSVF program, persons experiencing homelessness or at-risk of homelessness can be served with supportive services, transitional housing, permanent supportive housing, rapid re-housing programs, and prevention, as appropriate. The KY BoS CoC is governed by an advisory board made up of representatives from the six regions within the KY BoS CoC as well as ex-officio members representing Zero V (formerly known as the Kentucky Coalition Against Domestic Violence) and the Homeless and Housing Coalition of Kentucky (HHCK) and at-large members representing community organizations not funded through ESG or CoC. The Board works to improve collaboration, coordination, and system-wide performance in preventing and ending homelessness.

Working with the KY BoS CoC, KHC establishes scoring criteria for the CoC Competitive Application process that encourages projects to reallocate funds from transitional housing projects to permanent housing; adopt low barrier Housing First models that focus on quickly housing participants without setting preconditions such as participation in recovery programs or setting minimum income requirements that can keep people from getting off the streets and out of emergency shelters. As of 2018, one hundred percent of the KY BoS CoC program-funded projects are using the Housing First model. The KY BoS CoC has also adopted CPD Notice 16-11, which establishes the order of prioritization for chronically homeless and persons with the highest needs. This prioritization order is used by PSH projects in the BoS regardless of if their beds are formally dedicated for chronically homeless. The KY BoS CoC, through the CoC and ESG programs, has significantly increased its inventory of Rapid Rehousing (RRH) resources, which is particularly

help for families experiencing homelessness. ESG CARES Act (ESG-CV) funding allowed RRH to be available throughout the 118-county Balance of State for the first time and the ERA2-funded grants and Federal Fiscal Year 2022 CoC Special Notice of Funding Opportunity for Unsheltered and Rural Homelessness (SNOFO) awards have allowed continuation of this RRH funding as ESG-CV funds are exhausted.

KHC's CoC programs, including those funded through ESG, are for families and individuals who, in addition to safe, decent, and affordable housing, need access to supportive services to stay housed permanently. Supportive housing combines permanent, affordable housing with flexible support services to help the tenants stay housed and build the skills to live as independently as possible. The ESG program is used in part to provide emergency services when people experience crises. Through the KY BoS CoC system, emergency shelters work with permanent housing providers to quickly move people out of shelters and into permanent housing. By using a common assessment tool, the CoC can determine which clients have the highest level of need so that the most intensive resource, PSH, can be reserved for those cases. Rapid rehousing is an effective intervention for people needing less supportive services.

The KY BoS CoC, in partnership with Kentucky's other CoCs, are actively working towards meeting the goals set forth in All In: The Federal Strategic Plan to Prevent and End Homelessness. To meet these goals, the KY BoS CoC established the following objectives:

- Increase access to safe and affordable housing units for homeless families, individuals, and youth.
- Increase funding for and access to comprehensive supportive services that help assure housing stability and encourage self-sufficiency.
- Increase funding for prevention services to reduce the numbers of persons falling into homelessness.
- Increase scope and quality of data collection through the statewide Homeless Management Information System (HMIS) to document both project and system performance and continuing need.
- Implement a client-centered Coordinated Entry System to move people with the highest needs into permanent housing as quickly as possible.

**Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including**

**Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

Because Kentucky is a primarily rural state, developing a single outreach plan to cover the full KY BoS CoC geographic area is a challenge. Many of the common places for rural, unsheltered homeless are remote and difficult to identify. Through the outreach efforts of the point-in-time count volunteers, the KY BoS CoC has been able to identify local people in each county most likely to know of rural homeless locations (i.e., police officers, mail carriers, school bus drivers, etc.). Additionally, working with the ESG subrecipients, KHC encourages inclusion of street outreach as an eligible use for the state ESG allocation. With the availability of federal ESG-CV funding, the KY BoS CoC expanded street outreach activities and has continued to support those services via SNOFO and HOME-ARP funding as ESG-CV funds are exhausted. Training on street outreach has been made available across the state. Furthermore, the KY BoS CoC has implemented a

statewide Coordinated Entry System (CES) called “Any Door KY.” Since the geographic area is so large, the CoC is implementing coordinated entry by using 15 smaller regional bodies called Local Prioritization Communities (LPCs), which mirror existing Area Development Districts (ADDs). All areas are utilizing a common assessment tool and are following policies and procedures adopted by the KY BoS CoC Advisory Board. Using the KYHMIS (Kentucky Homeless Management Information System), KHC serves as the lead entity for the KY BoS Coordinated Entry System. In November 2020, the KY BoS CoC revamped its implementation of the CES so that a dedicated KHC staff member is taking a more hands on responsibility for ensuring people are quickly connected with permanent housing through CES. This staff person manages referrals to the 15 LPCs of eligible clients based on current KY BoS Prioritization criteria and availability of permanent housing resources funded by ESG and CoC. It remains KHC’s goal to continuously improve quick access to permanent housing through the KY BoS CoC CES by making more timely referrals and better monitoring of housing placements, such as the length of time it takes projects to move people into housing once a CES referral is made. Four KY BoS CoC member agencies also continue to receive CoC Supportive Services Only (SSO) grants to support their work as Coordinated Entry leads in their regions, and in the 2021 CoC Competition the BoS CoC was awarded a coordinated entry grant to support BoS-wide housing navigation services and two new regional Coordinated Entry lead grants. KHC will continue to work closely with KICH, CoC, and ESG agencies, other state agencies, and other service providers to increase coordination of efforts to maximize limited resources focused on homeless and special needs populations in the following areas:

- Supportive services including medical and mental health services
- Adequate discharge planning
- Homeless prevention funding
- Utilities assistance funding
- Connecting those in need of services to those who offer services.

### **Addressing the emergency shelter and transitional housing needs of homeless persons**

While connecting people experiencing homelessness with stable, permanent housing is the goal of the KY BoS CoC’s efforts, crisis housing through the provision of emergency shelter and transitional housing remains an essential component to the CoC’s crisis response system.

KHC provides funding to more than 20 emergency shelters each year to support shelter operations (e.g., shelter maintenance, repairs, rent, insurance) and supportive services, which includes case management services to connect participants as quickly as possible to permanent housing.

In addition to the emergency shelters funded through ESG, the KY BoS CoC has established relationships with more than 50 non-funded shelters across the Balance of State. These shelters participate in the annual point-in-time count and are offered training opportunities provided by KHC on shelter best practices. Non-funded shelters are also encouraged to participate in the CoC’s Coordinated Entry System to connect participants with housing resources funded through the CoC, ESG, VA Supportive Services for

Veteran Families (SSVG), and the U.S. Department of Health and Family Services Runaway and Homeless Youth (RHY) programs.

In recent ESG funding rounds, including ESG-CV awards, KHC allocated additional funding to Street Outreach to better identify people experiencing unsheltered homelessness and connect them with shelter while permanent housing is obtained. KHC continued to support the Street Outreach programs via SNOFO and HOME-ARP funding as ESG-CV funds are exhausted. The Ky BoS CoC also partners with street outreach programs provided through the VA and PATH.

Shelters are strongly encouraged to reduce barriers to shelter entry (e.g., broad background checks, sobriety, having income) and to eliminate unnecessary rules for staying in the shelter. Shelters have been provided training through the National Alliance to End Homelessness (NAEH) Emergency Shelter Learning Series as well as free in-person and virtual housing-focused case management training provided through national technical assistance providers.

Throughout FFY 2024 KHC will offer intensive homeless services best practices training to KY BoS CoC member agencies from OrgCode, Consulting Inc., a firm recognized internationally for their expertise in evidence-based service delivery. In 2023, KHC also hired a new CoC Supportive Services Technical Administrator to provide direct technical assistance to CoC agencies on homeless services best practices including housing-focused case management, low-barrier shelter, and Housing First policies.

In recent years, the KY BoS CoC has created four new Joint Transitional Housing-Rapid Rehousing (Joint TH-RRH) projects, including a large project funded through HUD's CoC Domestic Violence Bonus allocation (DV Bonus). These projects provide short-term transitional housing while participants are assisted in locating housing subsidized with RRH rental assistance or other support if needed. The transitional housing portion of these Joint TH-RRH projects operates as low-barrier crisis housing to provide a safe shelter while housing is identified. Following Housing First principles, participants are not required to participate in any programs (e.g., life skills classes, substance use recovery programs, etc.) to stay in the transitional housing units. Through KHC's annual CoC competition, Joint TH-RRH projects were selected from areas where no or insufficient emergency shelter existed. In HUD's 2021 CoC competition, the BoS CoC was awarded a grant expanding a DV Bonus Joint TH-RRH grant.

In addition, through the Youth Homelessness Demonstration Program (YHDP), two transitional housing projects were funded in the Southeastern Kentucky region of the KY BoS CoC. Also funded through YHDP is a large Supportive Services Only (SSO) project that provides assistance to Host Homes for youth needing crisis housing, especially in areas where emergency shelter or transitional housing units do not exist. The KY BoS CoC routinely provides letters or support for funding opportunities and on-going collaboration with transitional housing projects funded through the VA's Grant Per Diem Program and HHS RHY projects.

Lastly, through the provision of ESG CARES Act funding (ESG-CV), KHC awarded \$3.2 million for emergency shelter activities to be provided up to September 30, 2023 (as funding allows, per the extension granted by HUD CPD Notice 22-06), specifically to prepare, prevent, and respond to coronavirus. Shelters, including

many not already funded with annual ESG funds, are using funds to for such things as expanding hours, personal protection equipment (PPE) to participants and staff, hotel/motel rooms to quarantine people who are COVID+ or who have been exposed to the virus and for those who otherwise would be unsheltered without regular access to sanitization/hygiene facilities to practice regular handwashing and other CDC recommendations to socially distance from others. ESG-CV funds also supported new projects providing shelter using hotel/motel vouchers in communities without year-round shelters.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

By prioritizing ESG funds for use with Rapid Rehousing (RRH) programs and by working with the CoC to identify agencies to apply for new CoC RRH and PSH projects, resources are becoming better aligned with the need to reduce the time individuals and families remain homeless as well as giving them access to sustainable, permanent housing options. Through the CARES Act, KHC awarded nearly \$15.1 million from its \$23.4 million ESG-CV allocation to support additional RRH projects, achieving for the first time the availability of RRH across all 118 counties within the KY BoS CoC. KHC has been able to sustain that accomplishment with ERA2 and SNOFO funding as ESG-CV is fully expended.

In the FFY 2021 CoC competition, the KY BoS CoC picked up two new regional Permanent Supportive Housing (PSH) projects, in Northern and Central Kentucky. The KY BoS CoC also approved an expansion project on an existing Permanent Supportive Housing program in Western Kentucky which will allow more chronically homeless households to be served with vital PSH resources in the region. Additionally, the KY BoS CoC was awarded approximately \$1,500,000 in Domestic Violence Bonus projects. This funded an expansion of Rapid Re-Housing resources for survivors of domestic violence throughout the 118-county KY BoS CoC.

In the FFY 2022 SNOFO competition, the KY BoS CoC was awarded: \$5,327,321 to support: 9 new PSH projects serving rural communities and unsheltered populations; 8 new street outreach projects to identify persons experiencing unsheltered homelessness; and \$815,287 to support the work of the KHC Housing Connector Team to provide housing navigation services in 99 rural counties.

In the FFY 2022 CoC competition, the KY BoS CoC was awarded one new PSH project and the expansion of one existing PSH project and one Rapid Re-Housing project.

In the FFY 2023 CoC competition, the KY BoS CoC was awarded one new PSH project in southeastern Kentucky and the expansion one Rapid Re-Housing project in eastern Kentucky.

In February 2022, KHC launched the Housing Connector Team to provides services for specialized voucher holders experiencing homelessness who have been referred to the Emergency Housing Voucher, Mainstream Voucher, and, as of December 2023, Supportive Housing Voucher programs.

Services include: client driven unit identification; landlord outreach/negotiation; HCV application assistance; housing search/placement services; and connection to mainstream benefits. The Housing Connector Team has tremendously increased lease up rates for these specialized vouchers and KHC was awarded a SNOFO award to continue Housing Connector Services in 99 rural Kentucky counties

Kentucky has a variety of services and housing that assist homeless veterans. Through the Kentucky Interagency Council on Homelessness, it has been successful in identifying resources and gaps in veterans' assistance. In addition, service providers are being linked with organizations serving veterans, both private (local SSVF programs) and public (VA Service Centers). With fourteen VASH programs and five SSVF programs operating in Kentucky, the services to veterans have never been more accessible as they are now. Additionally, both the Balance of State CoC and ESG applications provide scoring incentives for agencies targeting persons experiencing chronic homelessness. The CoC's Coordinated Entry System (CES) policies require people experiencing chronic homelessness to be priorities for permanent housing resources. Youth between the ages of 18-24 are assessed using the Transition Age Youth assessment tool (TAY-VISPDAT), which takes into consideration unique needs of youth.

Activities planned for the coming year to address housing needs of homeless individuals and families and to prevent low-income individuals and families from becoming homeless include the activities listed below.

Acquisition, construction, renovation, major rehabilitation, or conversion of structures for use as permanent supportive housing for homeless persons. KHC has awarded Low Income Housing Tax Credit, Tax Exempt Bond, and HOME ARP funding in calendar years 2023 and 2024 to support the new construction five PSH developments in the Commonwealth, with 4 projects located in the Balance of State.

Payment of maintenance, operation, rent, repair, security, equipment, insurance, utilities, and furnishings of permanent housing. KHC is also partnering with HUD to take steps to end veteran homelessness in Kentucky.

KHC has dedicated housing assistance for 100 homeless Kentucky veterans through the Veterans Emerging Towards Transition (VETT) Program. Through the VETT program, KHC has a preference for 100 Housing Choice Vouchers (HCV) for qualified homeless veterans in the 87 counties KHC serves under the HCV program. This special assistance will help qualified veterans pay for housing and ultimately reduce the number of homeless veterans in Kentucky.

KHC has also created the Kentucky Moving On initiative in 2017. The program is a partnership with the Kentucky Balance of State Continuum of Care whereby persons currently in CoC-funded permanent supportive housing units who are no longer in need of intensive case management and supportive services may transition out of the PSH-funded resource into a Housing Choice Voucher within the community. The program allows people who have achieved housing stability to transition into community-based housing and frees up limited PSH resources for persons with more severe needs, such as those experiencing chronic homelessness.

Additionally, KHC was also awarded 200 Mainstream Vouchers in 2019 and an additional 100 in 2020 that can serve households with a non-elderly member with a disability. Referrals for this program are made by KY BoS CoC partners across the 118-county CoC. KHC has worked closely with CoC and ESG-funded agencies to refer participants in RRH programs so that those RRH limited resources can be used for people in experiencing unsheltered homelessness and those in emergency shelter to shorten the length of time people remain homeless.

In partnership with the KY BoS CoC, KHC's PHA program, and the state Cabinet for Health and Family Services (CHFS), KHC was awarded 100 Family Unification Program (FUP) vouchers. These vouchers are specifically for families in which the lack of housing is the reason why children are removed from the parents or are about to be, as well as unaccompanied youth who are homeless that aged out of the foster system. Services for these families and youth are provided by CHFS.

The American Rescue Plan Act (ARPA) of 2021 created the Emergency Housing Voucher (EHV) program to assist individuals and families who are homeless, at-risk of homelessness, fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking, or were recently homeless or have a high risk of housing instability. PHAs serving the KY BoS CoC received a total of 362 EHVs, with 257 vouchers allocated to KHC's PHA program and 15 vouchers allocated to each of the following small city/rural PHAs: Housing Authority of Somerset; Housing Authority of Glasgow; Housing Authority of Paintsville; Housing Authority of Mayfield; Housing Authority of Springfield; the City of Richmond Section 8 Housing Program; and the Pineville/Bell County Community Development Agency. The KY BoS CoC has executed Memoranda of Understanding with each of these PHAs to refer eligible households for EHVs via the Coordinated Entry System (CES).

In June 2023, HUD awarded KHC's Housing Choice Voucher program 25 Housing Stability Vouchers. The program can assist: individuals and families who are currently experiencing homelessness; individuals and families at risk of homelessness; Individuals and families fleeing or attempting to flee domestic violence, dating violence, stalking, and sexual assault; and veterans and families that include a veteran family member that meet one of the preceding criteria. Public Housing Authorities (PHAs) serving Boone County, Bowling Green, and Henderson were also awarded 5 Housing Stability Vouchers each. The BoS CoC Coordinated Entry System refers household for Stability Vouchers from all four PHAs and the KHC Housing Connector Team assists them with housing navigation.

Unaccompanied and parenting youth also have access to crisis and permanent housing, as well as ongoing youth-specific supportive services through 5 Youth Homelessness Demonstration Program (YHDP) projects in Southeastern Kentucky. Lessons learned from the YHDP project will be implemented in other projects across the KY BoS CoC over the coming years, including emphasis on connecting youth to peer support, opportunities for community involvement, and focus on the social/emotional well-being of youth in addition to immediate housing needs.

For all ESG and CoC-funded projects, agencies are required to provide supportive services to help participants obtain and maintain permanent housing. Specially, all RRH projects are required to implement

the National Alliance to End Homelessness (NAEH) RRH standards, which includes assistance in locating housing (e.g., landlord outreach), access to rental assistance consistent with the household's specific needs, and on-going case management to ensure participants are able to maintain housing even when the rental assistance ends. ESG-RRH agencies are required to provide at least 3-months of case management after rental assistance ends to assist participants transition to stable housing. All ESG-CV RRH recipients are required to re-evaluate participant's income every three months, to determine if additional subsidy is needed or if participants are able to take on more of their own rent.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs**

Under the Emergency Solutions Grants program, the state continues to allow funds to be allocated to Homelessness Prevention. Through ESG-CV funds, KHC has been able to allocate significantly more funds for Prevention activities. KHC has continued to support ESG-CV funded Prevention activities with ERA2 funding as ESG-CV funds are fully expended.

The KY BoS CoC collaborates with the Cabinet for Health and Family Services (CHFS), which implements discharge planning for youth who age out of foster care. Independent living coordinators and Cabinet social workers develop a transition plan help to identify appropriate, sustainable housing options prior to discharge from foster care, giving them access to stable housing through age 21. CHFS provides up to six months of initial rental assistance plus an additional six months if needed, through the Chafee Room & Board program. Recent HMIS data show that less than one percent of persons in emergency shelter had come from foster care placement.

Discharge planning efforts from health-care facilities in Kentucky takes place according to the health-care venue and/or program. Kentucky participates in Medicaid and Medicare programs and is required to adhere to all applicable standards of care, including discharge. The Center for Medicaid and Medicare Services (CMS) Condition of Participation requires that hospitals must have in effect a discharge planning process that applies to all patients. The evaluation process includes determining an appropriate discharge site. A very small percentage of persons exiting health-care facilities are discharged to homeless programs. The State has established a policy to prevent individuals with serious mental illness from being discharged into homelessness. Instead, the policy requires discharge from inpatient psychiatric hospital settings and other facilities to permanent community-based housing. Facility staff collaborate with family members, guardians, service providers and others to ensure that discharge planning begins upon admission, that the individual's preferences are honored through person-centered planning and that every effort be made for community integration in housing and services. The majority of persons discharged from state psychiatric hospitals return to their own homes. The Cabinet for Health and Family Services Department for Behavioral Health, Developmental and Intellectual Disabilities Olmstead Housing Initiative is expected to assist nearly

150 persons this year through a combination of rental assistance vouchers and permanent supportive housing rental units.

The Department of Corrections' discharge policy and procedures ensure every effort to secure safe housing for offenders prior to release from incarceration. The first option is to determine if the individual can return to his/her home; then to consider housing options with family or friends. Many offenders recognize that returning home may not allow them to be successful, and they choose to secure a home placement in a transitional living facility. The transitional housing may have specific requirements and seeks to assist the offender in his/her reentry process. Offenders typically return to home placements with family or friends. The Department of Corrections works directly with contracted halfway houses (re-entry centers) when a family member or friend is not available to support the offenders' transition into the community. The Recovery Kentucky program assists persons who have substance abuse dependencies. The recovery centers are funded by the Department of Local Government, Kentucky Housing Corporation, the Department of Corrections, and other community funds and are expected to assist more than 1,400 persons this year. Community Development Block Grant (CDBG) funds provide program services funding and KHC rental assistance funding supports 13 Recovery centers across the state.

**Discussion**

KHC will continue to provide technical assistance and training to HIV/AIDS housing and service providers to increase capacity. Also, HOPWA grantees are encouraged to participate in the KY BoS CoC Coordinated Entry System where they may be more successful in partnering services and housing with other providers who may serve the same or similar populations.

Formula HOME and HTF funds may be awarded to projects serving special needs and/or homeless populations. In FFY 2024, KHC will also continue deployment of \$51.7 million in HOME-ARP funds to assist individuals or households who are homeless, at risk of homelessness, and other vulnerable populations, by funding supportive housing development, supportive services, and street outreach.

## Analysis of Impediments Appendix

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The Commonwealth of Kentucky’s most recent Analysis of Impediments to Fair Housing Choice (AI) was completed in April 2020 and currently serves as the guiding document for Kentucky Housing Corporation (KHC) in affirmatively furthering fair housing<sup>1</sup>. In addition to highlighting the successes of the prior AI, the newest AI makes specific recommendations to KHC in the areas of fair housing education and outreach, expansion and preservation of affordable housing, enforcement of design and construction requirements, and access to programs and services for populations with limited English proficiency. KHC’s work toward implementing these recommendations is discussed below.

### Fair Housing Education and Outreach

The first recommendation in the AI encourages KHC to continue its fair housing education and outreach efforts. Unfortunately, discriminatory practices can be subtle and may not be detected by someone who does not have the benefit of comparing his or her treatment with that of another home seeker. Other times, persons may be aware that they are being discriminated against, but they may not be aware that the discrimination is against the law and that there are legal remedies to address the discrimination. Therefore, education, information, and referrals regarding fair housing issues remain critical to equip persons with the ability to avoid fair housing impediments.

The following chart identifies the specific recommendations made to KHC regarding fair housing education and outreach and a summary of KHC’s ongoing efforts to accomplish those goals:

Recommendation	Summary of Efforts Toward Recommendation
Continue to financially and administratively support bilingual housing counseling and education efforts.	KHC remains committed to financially and administratively supporting bilingual housing counseling and education efforts. It is KHC’s consistent practice to identify and partner with agencies in the Commonwealth who successfully provide bilingual housing counseling and education to the populations KHC serves, including REACH, Inc. (statewide), Brighton Center (statewide), Kentucky

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<sup>1</sup> A complete copy of the Commonwealth of Kentucky’s most recent Analysis of Impediments can be found on KHC’s website at [https://www.kyhousing.org/Planning-Documents/Documents/Kentucky%20Statewide%20AI\\_04.29.20\\_FINAL.pdf#search=analysis](https://www.kyhousing.org/Planning-Documents/Documents/Kentucky%20Statewide%20AI_04.29.20_FINAL.pdf#search=analysis).

	<p>Refugees Ministries (statewide), Louisville Urban League (Jefferson County), Housing Partnership Inc (Jefferson County), and other similar organizations throughout the Commonwealth who can service LEP clients. Beyond that, all counseling agencies must have a Language Access Plan to address how they will provide services to LEP clients.</p> <p>KHC contracts with three translation companies – Catholic Charities, iiWA Inc. and International Center of Kentucky – to provide interpretation and translation services for any interactions with non-English-speaking customers, partners, or members of the public. To identify that need, KHC posted “I Speak” posters at the front desk and gave KHC customer service representatives those cards to allow non-English speaking callers the ability to indicate that they need language interpreting services and give KHC staff members the opportunity to call one of our contracting agencies.</p> <p>KHC recognizes individuals deaf or hard of hearing (D/HOH) may also have limited proficiency in spoken or written English and may not be proficient in sign language. KHC has engaged with ASL Interpreting Services to establish a contracting relationship and to coordinate future services for sign language interpreting and captioning services, both onsite and online. These components ensure effective communication and comply with guidelines for language access planning. KHC continues to offer documents, fliers and marketing materials in Spanish and has a Spanish section of its website. Its external website and Homeownership Protection Center site have accessibility options for those needing to translate the site or to increase the font, adjust the brightness or a host of other options for special needs individuals.</p> <p>KHC continues to celebrate April as Fair Housing Month by posting on social media about how the public can spot unfair housing practices and file a fair</p>
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	<p>housing complaint. The posts helped raise awareness about the need for fair housing and how people can ensure that all Kentuckians have access to fair, affordable housing, whether they live in an apartment, home, nursing home, residence hall, or other space. In 2023, KHC recorded a podcast with Drew Bowling of Kentucky Fair Housing Council to discuss fair housing practices and how to report suspected violations.</p>
<p>Continue to promote and market the “Simply Home” exhibit to municipalities and institutions across Kentucky as a vehicle for fair housing education and outreach.</p>	<p>KHC curated a “Simply Home” exhibit to showcase the faces of affordable housing and to educate residents in the Commonwealth about how affordable housing creates good neighbors. Organizations may request this exhibit for showings in an accessible place by the public. Civic organizations, libraries, museums, and other places that can accommodate the floor space for the 24- foot by 34- foot exhibit and consider the 4-foot accessibility for compliance with American Disabilities Act are great showcases for the exhibit. This educational effort serves in part to reduce resistance to affordable housing. KHC has found little interest in the Simply Home exhibit and is looking into alternate ways to provide fair housing education and outreach across the state.</p>
<p>Continue to collaborate with the Kentucky Commission on Human Rights and Kentucky Fair Housing Council, Inc. to expand education and outreach efforts and to identify gaps in need of additional efforts.</p>	<p>KHC continues to maintain its strong working relationships with the Kentucky Fair Housing Council, the Kentucky Commission on Human Rights, and similar agencies and organizations that handle fair housing matters. KHC uses these relationships as a referral network when fair housing complaints are reported to KHC. KHC also collaborates with these groups on how to address fair housing issues when they arise.</p> <p>KHC continues to provide monetary and administrative support to these fair housing organizations for their trainings and other activities.</p>

	<p>For example, KHC engaged the Kentucky Fair Housing Council to provide all staff with an in-depth fair housing training to spot potential issues customers face and how to address them in April 2024.</p> <p>KHC was invited to participate in a panel and speak at the 2023 Kentucky Hispanic, Immigrant and Refugee Summit in October 2023, hosted by the Kentucky Commission on Human Rights. The networking summit is an opportunity to foster mutual understanding, increase communication and collaboration between federal, state, and local government, and educational institutions and the immigrant and refugee populations. Each year presentations and open discussion cover a wide spectrum of topics to include fair housing, equal employment, education access, business and more.</p> <p>To further KHC’s collective commitment to equity and inclusion, in October 2023 KHC had some employees attend the 2<sup>nd</sup> Annual Kentucky Diversity, Equity, and Inclusion Summit, hosted by the Kentucky Chamber Foundation to look at key components – such as economic empowerment, education equity, and inclusive business practices-needed to build a stronger Commonwealth of Kentucky.</p> <p>Finally, KHC provides operating grants to several organizations advancing fair housing in Kentucky, including the Homeless and Housing Coalition of Kentucky, Metropolitan Housing Coalition, Kentucky Fair Housing Council, and other nonprofits across the state. KHC discretionary funds are allocated to organizations that are representative of the communities served and/or specific target population and/or geographic area. Finally, further preference is to be given to proposals that advance equity to eliminate, reduce, and prevent disparities with service to the community. This may be achieved through grantees that engage diverse perspectives to achieve greater parity in housing stability, self-</p>
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	sufficiency, and/or homeownership programs.
Continue the marketing, outreach, and engagement activities with multicultural populations across Kentucky via the Multicultural Customer Service and Outreach Coordinator.	To remain focused on bilingual housing counseling and education and support and engage multicultural populations in the Commonwealth, the duties of the MCSOC are performed by the Mortgage Production Administrators. They coordinate marketing, outreach, education, and engagement activities and review KHC's internal policies and practices to ensure multicultural populations are effectively served.

In addition, KHC has worked to increase access to fair housing and fair housing education across the Commonwealth in the following ways:

- KHC has formed a DEI Panel that continues to expand the cultural sensitivity and awareness both internally and externally. The DEI Panel's charge is to intentionally create meaningful ways to advance and drive culture transformation, improve community engagement by increasing informational channels to diverse communities about housing opportunities, and continue to provide staff with training on diversity, equity, and inclusion, and its impacts on everyday lives. The Panel is also undertaking initiatives to include diversity, equity, and inclusion considerations in the relationships with KHC's partners, contractors, and grantees externally.
- KHC employees continue to receive fair housing training at orientation and various departments are involved in KHC's Title VI self-survey process annually. KHC has staff attend various fair housing trainings that may be available throughout the year as well. KHC collaborated with the Kentucky Fair Housing Council in April 2024 to provide all staff a more in-depth training on fair housing.
- KHC also added new features to its website that makes it easier to navigate for visitors that may have seizures, vision impairments, cognitive disabilities, or ADHD. The display, content, sizing, font, and other features can now be adjusted making it more user friendly. This was also added to the Homeownership Protection Center site to accommodate people seeking information about the Homeownership Assistance Fund.
- KHC dedicated its April 2023 podcast to addressing fair housing concerns. Drew Bowling from the Kentucky Fair Housing Council discussed tenants' rights, how the digital age has influenced reporting and detection and directed people to resources available throughout the state. KHC also referred its staff, partners and public to a fair housing training hosted by the Kentucky Fair Housing Council.
- As an administrator of housing programs, KHC provides educational and technical assistance regarding fair housing whenever possible. KHC continues to include fair housing information in all contracts with subrecipients. At the program level, KHC continues to work with all its sub-recipients who receive pass-through federal funding to expand minority participation. To ensure compliance, KHC annually implements the Title VI self-survey by sending it to recipients receiving funding. The KHC fair housing coordinator oversees the Title VI survey process, with program recipients' responses carefully evaluated for compliance. Any survey response which is not satisfactory is sent back for further review, clarification, or investigation as needed. As part of its ongoing Title VI review efforts, KHC requires that agencies who indicate that their boards fail to have any minority members must also provide KHC with an explanation as to why.

## Expansion and Preservation of Affordable Housing in a Variety of Locations

The second charge in the AI asks KHC to focus on the expansion and preservation of affordable housing in diverse areas across the Commonwealth. The following chart identifies the specific recommendations made to KHC and a summary of KHC's ongoing efforts to meet the recommendations:

Recommendation	Summary of Efforts Toward Recommendation
<p>Continue to allocate LIHTC funding to projects that prioritize higher opportunity areas and avoid concentrations of affordable housing.</p>	<p>The current AI discusses in detail the significant impediment created when affordable housing developments are concentrated in R/ECAP areas (predominately minority areas with high poverty). KHC’s planning documents address this issue in detail.</p> <p>First, KHC’s FY ‘23-’24 Qualified Allocation Plan (QAP) gives preference to projects that contribute to a concerted community revitalization plan. It also includes significant developer incentives to expand housing choice in higher opportunity areas, including areas where high job growth is anticipated and areas that score well on the Enterprise Opportunity 360 Report in the areas of Housing Stability, Education, and Economic Security. In a largely rural state like Kentucky, however, the need for creating new, decent, and safe affordable housing in rural areas is also great. KHC continues to work to strike a balance between the two. KHC also offers scoring incentives for siting projects in low-poverty census tracts and in counties where there are fewer affordable units available.</p> <p>KHC’s Multifamily Guidelines provide that urban projects proposing to create new units in a qualified census tract must submit a copy of the local jurisdiction’s overall plan for revitalization, community development, and/or economic development that meet certain criteria.</p> <p>To continue to discourage high concentrations of affordable housing, the QAP deducts scoring points for new-build projects that are located within .5 miles (for urban projects) and 3 miles (for rural projects) of another tax credit project that has been approved in the previous 2 years</p>

	and which targets the same tenants as that project.
<p>Continue the Down Payment Closing Cost Assistance Program and the Homebuyer Loan Program for income-eligible homebuyers.</p> <p>Evaluate a preference for low- and moderate homeowners in neighborhoods at risk for displacement due to gentrification.</p>	<p>KHC recognizes that down payments, closing costs, and prepaids are stumbling blocks for many potential home buyers. Our Down payment Assistance Program (DAP) provides a path around those barriers to homeownership. Additionally, when it is possible and allowable, KHC may leverage its DAP with other existing community programs to expand further the access to homeownership. To assist more potential home buyers with inflation and increasing home prices and property taxes, KHC recently increased the allowable amounts for its DAP program.</p>
<p>Continue the Homeowner Rehab Program and the Weatherization Assistance Program to preserve the existing affordable housing inventory and lower homeowner costs. Evaluate a preference for low- and moderate-income homeowners in neighborhoods at risk for displacement due to gentrification.</p>	<p>In Fiscal Year 2024, KHC awarded \$2,144,985 from the state’s Affordable Housing Trust Fund (AHTF) to 10 agencies to support home repairs for 123 units with repairs.</p> <p>In Fiscal Year 2024, KHC awarded 20 subgrantees over \$15,300,000 in weatherization funding (LIHEAP and DoE) to support the installation of energy saving measures in over 350units. To ensure measures are installed correctly, crews and contractors receive training that KHC’s Residential Energy Efficiency Training Center and Quality Control Inspectors inspect each unit upon completion for quality of work. In addition to this regular formula funding, KHC awarded almost \$18 million in multi-year Bipartisan Infrastructure Law funding for weatherization in Fiscal Year 2023.</p>
<p>Continue to advocate for affordable housing resources among local, State and Congressional delegations.</p>	<p>KHC remains committed to its legislative advocacy at the federal and state level. Efforts have included monitoring legislation at the federal and state level, providing comments to state legislation, sending legislative advocacy letters to its federal congressional delegation,</p>

	<p>and joining in legislative advocacy letters to members of Congress drafted by the National Council of State Housing Agencies.</p> <p>In the 2024 Legislative sessions a concurrent resolution for bill HCR68 has passed to direct the establishment of Kentucky Housing Task Force to examine the shortage of housing units across Kentucky. As a one of the leading housing agencies in the state, KHC supports all efforts to comprehensively examine the overall housing supply shortage. To further this action, KHC intends to accept any formal designation or role from the Taskforce and will go before the committee to share and present key findings from the 2024 Housing Supply Gap Analysis, conducted by KHC.</p> <p>KHC and Department for Local Government (DLG) held a forum with developers to solicit feedback for upcoming funding rounds in calendar year 2023.</p> <p>By March 2023 Kentucky’s Rural Housing Trust Fund (RHTF) was created by legislation to assist rural areas of Kentucky, as defined by the USDA guidelines. As established by the State Treasury the appropriation of these dollars shall be administered by Kentucky Housing Corporation and for the sole intent to assist in disaster recovery in Eastern and Western Kentucky Regions.</p>
<p>Continue the Tenant-based and Project-based Rental Assistance Programs to ensure affordable rental assistance for protected classes across the Commonwealth, including assistance to individuals with disabilities and/or recovering from substance abuse.</p>	<p>KHC’s Tenant-based and Project-based rental assistance programs continue to assist thousands of Kentuckians find safe, affordable housing. The housing choice voucher (HCV) program often focuses on those with the greatest need, including individuals with disabilities, that are homeless, and those</p>

	<p>recovering from substance abuse. As an example, the Recovery Kentucky program remains a source of support for hundreds of individuals recovering from substance abuse. Additionally, June 2023, the HCV program has been awarded 25 Stability Vouchers to assist individuals and families who are currently experiencing homelessness, at risk of homelessness, fleeing or attempting to flee domestic violence, dating violence, stalking, sexual assault and Veterans and families that include a veteran family member that meet one of preceding criteria. In August 2022, the HCV program was awarded 47 Fair Share Vouchers to assist survivors of domestic violence, or individuals and families who are homeless, as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302(a)), or at risk of homelessness, as defined in section 401(1) of such Act (42 U.S.C. 11360(1)). KHC was awarded an additional 12 Veterans Affairs Supportive Housing vouchers since November 2022 to assist homeless veterans.</p> <p>KHC also recently co-hosted the Housing Management Conference for Kentucky and offered attendees, particularly property management staff, fair housing training sessions to educate them about their fair housing obligations.</p> <p>Additionally, KHC's Multifamily department continues to require all applicants requesting federal funding to submit an Affirmative Fair Housing Marketing Plan (properties with five or more units), Fair Housing Plan, Title VI Self-Survey and Statement of Assurance, and a Section 504 Self-Evaluation.</p> <p>All Multifamily applicants requesting any type of KHC funding must provide a Tenant Selection Plan and a sample of their Tenant Lease, which must adhere to the Uniform Residential</p>
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	Landlord Tenant Act (URLTA).
<p>Continue to seek Continuum of Care funding for rapid-rehousing and permanent supportive housing developments that provide affordable housing options and related services for protected classes.</p>	<p>In the 2021 Continuum of Care competition, the Kentucky Balance of State Continuum of Care (KY BoS CoC) picked up two new regional Permanent Supportive Housing (PSH) projects, in Northern and Central Kentucky. The KY BoS CoC also approved an expansion project on an existing Permanent Supportive Housing program in Western Kentucky which will allow more chronically homeless households to be served with vital PSH resources in the region. Additionally, the KY BoS CoC was awarded approximately \$1,500,000 in Domestic Violence Bonus projects. This funded an expansion of Rapid Re-Housing resources for survivors of domestic violence throughout the 118-county KY BoS CoC.</p> <p>In the 2022 Continuum of Care Special NOFO for Unsheltered and Rural Homelessness, the KY BoS CoC was awarded: \$5,327,321 to support: 9 new PSH projects serving rural communities and unsheltered populations; 8 new street outreach projects to identify persons experiencing unsheltered homelessness; \$815,287 to support the and \$459,000 in additional funds to support KY BoS CoC planning and Homelessness Management Information System (HMIS) costs.</p> <p>In the 2022 Continuum of Care competition, the KY BoS CoC was awarded one new PSH project and the expansion of one existing PSH project and one Rapid Re-Housing project.</p> <p>In the 2022 Continuum of Care Special NOFO for Unsheltered and Rural Homelessness, the KY BoS CoC was awarded: \$5,327,321 to support: 9 new PSH projects serving rural communities and unsheltered populations; 8 new street outreach projects to</p>

	<p>identify persons experiencing unsheltered homelessness; \$815,287 to support the work of the KHC Housing Connector Team in 99 rural counties and \$459,000 in additional funds to support KY BoS CoC planning and Homelessness Management Information System (HMIS) costs.</p> <p><u>In the 2023 Continuum of Care Competition</u>, the KY BoS CoC was awarded one new PSH project in southeastern Kentucky and the expansion one Rapid Re-Housing project in eastern Kentucky.</p> <p>Other efforts to expand and preserve Rapid Re-Housing include the continuation of programs established using the ESG CARES Act (ESG-CV) allocation to KHC with Emergency Rental Assistance 2 (ERA2) funds. KHC allocated the majority of ESG-CV funds to additional Rapid Re-Housing projects. This significantly increased the availability of permanent housing assistance for people experiencing homelessness. With the CARES Act allocations of ESG funds, the KY BoS CoC has been able to build Rapid Re-Housing coverage across the entire 118 county Continuum for the first time in its history. KHC has been able to sustain that accomplishment with ERA2 funding as ESG-CV is fully expended.</p>
<p>Evaluate tools and methods to connect people to housing, such as housing service locator tools.</p>	<p>While expanding and preserving permanent housing options via the Continuum of Care (CoC) and Emergency Solutions Grants (ESG) programs, KHC has contracted with Padmission, LLC to develop a Kentucky Balance of State (KY BoS) centralized landlord engagement and Permanent Supportive Housing (PSH)/Rapid Re-Housing (RRH)/Housing Choice Voucher (HCV) housing location platform. This tool supports both the 118-county KY BoS CoC and KHC's HCV program that serves 87 counties. Padmission allows landlords to update vacancies in real time, identify which programs they will accept,</p>

	<p>and provide unit pictures and specifications to streamline the housing search process for case managers and tenants alike. KHC employs a KY BoS Housing Navigation Specialist to serve as the Padmission Administrator, as well as to assist BoS providers with trouble shooting housing navigation and provide program and landlord training across the KY BoS CoC. Additionally, KHC received a new Coordinated Entry-Supportive Services Only grant in the 2021 CoC competition to help support this important housing navigation work in the BoS CoC.</p> <p>In 2022, KHC also launched the Housing Connector program, which is designed to provide housing application and navigation services to households with a history of homelessness using Mainstream and Emergency Housing Vouchers. In the 2022 Continuum of Care Special NOFO, Kentucky Housing Corporation was funded to support Housing Connector services in rural areas for those using these specialized vouchers, HUD Stability Vouchers, and new rural PSH vouchers awarded through the Special NOFO competition. Since its launch, the Connector team has significantly increased the lease-up success of Mainstream and Emergency Housing Vouchers.</p>
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In addition, KHC has worked to increase expansion and preservation of affordable housing across the Commonwealth in the following ways:

- KHC has been hard at work to address the housing needs of Kentuckians impacted by the coronavirus pandemic. From September 2020 through January 2021, using state discretionary coronavirus relief funds, KHC helped 4,140 households avoid eviction with nearly \$15 million in rental assistance through phase one of the Healthy at Home Eviction Relief Fund (HHERF). Using US Treasury funding from the Emergency Rental Assistance 1.0 (ERA1) program funded under the Consolidated Appropriations Act of 2021 and the Emergency Rental Assistance 2.0 (ERA2) program funded under the American Rescue Plan Act of 2021 to continue the HHERF

program, KHC provided 57,742 Kentucky households with \$227 million in rent assistance and \$26.6 million in utility assistance from March 2021 through February 2023 via phase 2 of HHERF. Additionally, KHC allocated \$45.6 million in ERA1 funding and \$54 million in ERA2 funding to Louisville/Jefferson County Metro Government and Lexington/Fayette Urban County Government for their emergency rental assistance programs. Even though the HHERF program closed to new applications in January 2023, KHC has continued to use remaining ERA2 funding to sustain Kentuckians’ housing stability by 1) continuing an Eviction Diversion Program (EDP) for households with active eviction cases in court; 2) funding legal assistance for those facing eviction cases (As of February 24, 2024, the EDP has prevented the eviction of 605 households, preventing ; and issued 550 “Emergency Relocation Vouchers” to assist those evicted with rehousing); and3) continuing several homelessness prevention and rapid rehousing activities initially funded under the Emergency Solutions Grant CARES Act (ESG-CV) program.

### Enforcement of Design and Construction Requirements

Thirdly the AI encourages KHC to enforce its design and construction requirements in a way that fosters fair housing. The following chart identifies the specific recommendations made to KHC and a summary of KHC’s ongoing efforts to meet the recommendations:

Recommendation	Summary of Efforts Toward Recommendation
Expand the Certification of Compliance with Design	KHC requires all projects to complete a Certificate of Compliance with Design Requirements.

<p>Requirements for Accessible Housing to require that general contractors involved in the design and construction of new multifamily residential properties sign the certification form, in addition to owners/developers and architects.</p>	<p>Accessible Housing certifying that the design complies with all applicable accessibility of requirements of the Fair Housing Act of 1988, KHC Minimum and Universal Design Standards, Uniform Federal Accessibility Standards, Section 504 of the Rehabilitation Act of 1973, 2010 ADA Accessibility Guidelines, and any other applicable state or local codes. The document must be signed by the architect, general contractor, and the owner of the project. The completed certificate is required at the Technical Submission stage and serves as a guiding document throughout the project.</p>
<p>Continue allocation of funding to projects that include accessibility design features such as aging-in- place, Universal Design, ADA and UFAS construction standards.</p>	<p>To further encourage aging in place design features in multifamily senior housing, KHC continues to offer a scoring preference for applicants requesting funding in its competitive applications. Specifically, KHC offers points to projects which provide features to enhance a senior’s living environment or promote aging in place, including modified kitchens, bathrooms, lighting, and common areas. Scoring points are alternatively available for projects located in counties with a high percentage of seniors.</p> <p>KHC’s Minimum Design Guidelines incorporate the requirements of state and federal laws pertaining to accessibility, including Section 504 of the Rehabilitation Act of 1973 and the ADA. Further, KHC imposes a Universal Design standard that incorporates features such as wider doorways and hallways, lower thresholds, shorter reach ranges, blocking for grab bars, lever faucets and doors. By making these features inherent to the construction, it allows people stay in their homes (single family and rental units) when mobility issues force the use of a wheelchair.</p> <p>Projects receiving federal funds also are required to conduct a Section 504 Self-Evaluation of all aspects</p>

	<p>of an organization, including its buildings, program outreach and communication, eligibility and admission criteria, percentage of accessible units, etc. A person with disabilities or a representative from an agency that serves persons with disabilities must assist the applicant in completing the self-evaluation. This document is required at the Technical Submission stage of a project and is reviewed by KHC's Legal Team for compliance.</p>
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In addition, KHC has taken the following measures to promote fair housing across the Commonwealth through its design and construction standards:

- KHC funding applications require applicants to continue to identify which impediments in the AI their projects will work to eliminate, and how they plan to do so.
- KHC Minimum Design Standards maintain mandates that all dwelling units must have the ability to connect to the internet by telephone connection, cable modem, or a secured wireless connection provided by the property. All dwelling units and common areas accessible by the residents must be supplied with signal strength adequate for connection to the internet.
- KHC adopted the protections afforded under the HUD Equal Access Rule and requires any partner applying for KHC funding to adhere to them, whether they originate from HUD or from some other source. KHC reviews documentation from our partners to ensure that they prohibit the denial of access to housing based on actual or perceived sexual orientation, gender identity, or marital status.
- KHC remains committed to ensuring our partners comply with the requirements of the Violence Against Women Act (VAWA) by requiring our partners to provide all tenants with information about their rights under VAWA when they apply for housing or funding. KHC also upholds our VAWA Emergency Transfer Plan, which was incorporated into our Administrative Plan, describing who may be eligible for an emergency transfer, the emergency transfer process, confidentiality protections, and guidance to tenants on safety and security. KHC continues to require developers and management companies to develop and submit an Emergency Transfer Plan to KHC.

## Access to Programs and Services for Populations with Limited English Proficiency

The final recommendation in the AI leads KHC to ensure that its programs and services are accessible to populations with limited English proficiency (LEP). The following chart lists the recommendations made to KHC and a summary of KHC’s ongoing efforts to meet the recommendations:

Recommendation	Summary of Efforts Toward Recommendation
<p>Annually update the Language Access Plan to reflect a review of any demographic changes statewide and for each county, and the results of monitoring for the effectiveness of the plan’s implementation.</p>	<p>KHC’s practice is to update its Language Access Plan (LAP) annually. The most recent version, which was updated on January 11, 2023, can be found on KHC’s website at <a href="https://www.kyhousing.org/Planning-Documents/Documents/Language-Access-Plan-Kentucky.pdf">https://www.kyhousing.org/Planning-Documents/Documents/Language-Access-Plan-Kentucky.pdf</a>. KHC updated its internal website to include guides and aids to assist employees that may interact with limited English proficiency persons (LEP). Trainings are being developed to teach employees about KHC’s LAP more and increase outreach with LEP populations.</p> <p>Employees may access KHC’s Language Access Plan (LAP) Skilled Pathway via the KHC Brainstorm portal. The LAP training shares an overview of the following components: language access terminology, Title IV legal requirements, the four-factor analysis framework, “I Speak” cards, and qualifications of an Interpreter. This tract and other related courses, pop quizzes, videos and self-paced trainings are offered year- round to promote Fair Housing. The skilled tract for Language Access and Interpreters is located in the on-demand library. There are additional courses to provide cultural competency and reasonable accommodations fundamentals.</p> <p>Employees are encouraged to participate in this corporate-wide training. At the completion of the training, employees’ feedback and comments are captured in a brief survey questionnaire. This information is reviewed for suggestions to improve or conduct future staff Interpreter trainings.</p>

<p>Evaluate collecting preferred language data at time of single- family loan origination to provide improved loan servicing to LEP populations.</p>	<p>To assist first time homebuyers with LEP to make informed decisions during their home mortgage loan process and to provide improved loan servicing to LEP populations, KHC’s Single Family Programs added some language preference features to its new Loan Origination System (LOS). KHC can now easily identify the preferred language for its borrowers. KHC recruited several bi-lingual staff to communicate with borrowers in their preferred language.</p>
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In addition to the work outlined above, KHC offers the following additional information pertinent to its ongoing efforts to serve the LEP population in the Commonwealth:

- KHC continuously engages in other activities designed to serve LEP populations by issuing information and guidance to its homeowner clients in Spanish.
- KHC continued its efforts to reach multicultural populations in all its programming, including the Homeowner Assistance Fund necessitated by the coronavirus pandemic. KHC offers informational documents in Spanish and the Communications team produced an informational video with subtitles for LEP applicants.
- KHC continues to publish all public notices in the state’s Spanish-language publications – *Al Dia* and *El Kentubano*. KHC runs ads in their publications to alert their readers to our homebuying programs and our federal mortgage assistance program (HOAF).
- KHC continues to translate its communication materials for nonnative speakers including offering Google Translate as a function on its external website and eGrams, translated documents in a Spanish section of its website, and Spanish videos and videos with Spanish subtitles on YouTube. Fliers for federally-funded programs (Healthy at Home Eviction Relief, Eviction Diversion and Homeowner Assistance Fund) were created in Spanish and distributed to agencies referring clients to the programs. KHC also sent both the English and Spanish versions of both programs to the state Family Resource and Youth Services Centers coordinator to distribute to schools in all 120 counties.
- KHC’s AI was translated into Spanish. Similar translation continues to be done on the K-Count, which is a point-in-time count of the Kentucky homeless population; the KY Balance of State Continuum of Care Survey; and all KHC public notices. The KHC Section 8 tenant portal provides information available in Spanish.
- Direct assistance to LEP clients is provided by KHC onsite staff with interpretation skills. KHC recruited several bi-lingual staff to easily communicate with borrowers in their preferred language. Outside interpretation services are utilized if KHC staff are unable to assist, including iiWA, LLC, Catholic Charities of Louisville, The International Center at Bowling Green, [www.languageline.com](http://www.languageline.com), and interpreters on state contract. KHC’s Fair Housing Coordinator and team liaisons continue to work together with inter-agency partners such as Global Lex Multicultural Department and Cabinet for Health and Family Services (CHFS)

Interpreter Qualification Assessment trainings, to enhance public engagement and awareness about KHC Language Services.

- KHC continues to produce videos with English subtitles for those with limited hearing and in Spanish for LEP customers. KHC transitioned all of its virtual meetings to Zoom and Teams to allow users with limited hearing real-time transcription so they can follow along in the meeting and interact. KHC's staff that hosts webinars also adds captions to all of its recordings to make them easier to follow and understand.
- KHC's LEP efforts have helped more Hispanic households with LEP in Kentucky achieve homeownership as testimonials from KHC's partners continue to reiterate that KHC's translated materials are extremely useful for outreach, training, and other housing events.