

Kentucky Housing Corporation

HOME & AHTF Single Family Homebuyer Development

**Increase in Per Unit Development Subsidy Limits in Response to COVID-19
Related Escalation in Construction Costs.**

February 25, 2021

HB Public Notice 01-2021

1. Subject: Development Gap Subsidy Limits

Guidance: Kentucky Housing Corporation will increase the per unit development gap subsidy limit on HOME and AHTF **Single Family Homebuyer Development** projects (including acquisition, rehab/resale), which will affect any open HB18, HB19, and HB20 projects. The increase in development gap subsidy limits will remain in effect until December 31, 2021 and will retroact to June 1, 2020. Table 1-1 shows the applicable development gap subsidy.

Table 1 – 1

HERS Rating	Maximum Development Gap
66 or Above	\$25,000
56 - 65	\$30,000
55 or Below	\$35,000

2. Subject: Setups

Guidance: All setups submitted from June 1, 2020 – December 31, 2021, which request the maximum development gaps from Table 1-1 will be effective until the final Project Close-Out Report.

HB PN
Guidance Issued
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