

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.**

October 15, 2020

HB Public Notice 01-2020

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 June 30, 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: A new project set-up template with the changes described above will be available upon this public notice issuance. Funded partners should use the amended setup immediately. If funded partners need to revise setup submissions from June 1, 2020 – October 13, 2020, they will need to use the amended setup and transfer all applicable project information to the new packet. Please submit the setup as a revision. In the email submission, describe in the body of the email that the revision is in the development subsidy lines.

HB PN
Guidance Issued
ADMINISTRATIVE: Keli Reynolds, Manager – Single Family & HCA Support 800-633-8896 or 502-564-7630, ext. 414 kreynolds@kyhousing.org