



STATE HOUSING TRUST FUND

KANSAS HOUSING RESOURCES CORPORATION

OVERVIEW: Kansas Housing Resources Corporation (KHRC) is a self-supporting public corporation, which serves as the primary administrator of federal housing programs for the State of Kansas. KHRC's mission is to increase the availability of affordable, safe and accessible housing for low- and moderate-income Kansans. Created as a "one-stop shop for housing," KHRC administers affordable housing programs with the following areas of emphasis: Homeownership, Energy Efficiency, Rental Assistance, Rental Housing Development, Emergency Housing, Community Services and Program Compliance.

Working statewide, KHRC:

- Provides down-payment assistance to qualifying first-time homebuyers.
- Offers rental assistance to low-income families and individuals.
- Promotes energy efficiency improvements for owner-occupied and rental housing.
- Offers incentives to developers that finance the construction of affordable rental housing.
- Educates multi-family property owners and managers about program compliance to ensure that renters have a safe and affordable place to live.
- Preserves existing housing through rehabilitation.

More information on KHRC's programs and services, as well as its audited financial statements, can be found at www.kshousingcorp.org.

HISTORY & FUNDING: Formerly the Division of Housing within the Kansas Department of Commerce and Housing, Executive Reorganization Order No. 30 and 2003 Senate Bill No. 285 transferred the organization to become a division within the Kansas Development Finance Authority (KDFA). In 2003, KHRC became a subsidiary corporation of KDFA. Governed by a Board of Directors, KHRC does not receive operational revenue from the State of Kansas, but rather sustains itself through Federal contracts for service and program administration fees.

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ESTABLISHMENT AND PURPOSE: Established in 1991, the State Housing Trust Fund (SHTF) was created by House Bill No. 2517 as a vehicle to deposit housing funds and provide necessary match for the Federal HOME Investment Partnerships Program. Now codified at K.S.A. 2013 Supp. 74-8959, the SHTF legislation contains no designated funding sources and is essentially a discretionary, interest-bearing trust account for the purpose of housing programs and services. The statute allows KHRC, as the administrator of this fund, to maintain and invest funds outside of the State Treasury and to apply for and receive grants, gifts and donations.

FUNDING: While many state housing trust funds around the country have robust designated revenue streams from taxes on real estate sales, development charges, or recording fees, the Kansas SHTF does not have these traditional revenue streams in place. Instead, Kansas SHTF activities are funded from diminishing MRB/MCC issuance fees (\$1,978 received since 2010), multi-family bond issuance fees from Private Activity Bonds (\$0 received since 2009), and other miscellaneous revenue streams. KHRC has also made contributions and donations to the SHTF from its fee-for-

Completed MIH Projects in 2014

Pioneer Estates - Garden City

Pioneer Road Estates was a collaborative partnership between all four taxing entities in the community—the City of Garden City, Finney County, Garden City Community College, and Garden City Schools USD 457. Innovative funding helped make the project a reality. In December 2012, the Garden City Commission passed an ordinance creating a Rural Housing Incentive District for Pioneer Road Estates. In addition to their support of the RHID, USD 457 donated 11 acres of land for the homes

to be built upon. The donated land increased the viability of the project. In return, the development created a much needed secondary access road for the recently constructed school. Other partners in the project were GC Residential Builders, LLC; Kansas Housing Resources Corporation; American Warrior Construction; and Rural Housing Partners.



Governor Sam Brownback speaks to the audience at the dedication for Pioneer Estates development, located in Garden City, Kansas.



Robert Pivonka, Mayor of Larned, cuts the ceremonial ribbon with KHRC Executive Director Dennis L. Mesa pictured to the right of him. Others attended the ribbon cutting to celebrate the Prairie Vista development.

Prairie Vista - Larned

KHRC provided the City of Larned with \$400,000 in 2012 as gap filler to help build 20 rental units on the west side of town. Expansion of the state hospital there has created a need for moderate income housing that could not be addressed with tax credits. The rental units are three bedroom duplexes built on a slab with a safe room and attached garage.

Kearny County**Award Amount: \$300,000**

This western Kansas county with 3,987 people was approved for a \$300,000 grant as gap financing to build up to a total of ten units that will include up to four units financed by MIH funds. The housing will be built in Lakin, the county seat, and Deerfield. Additional financial support for the development is being provided by Kearny County Bank, the Deerfield school district and Kearny County, through the Neighborhood Revitalization Program. Job growth in the agricultural and energy sectors, as well as Kearny County Hospital, and on-going need in the school districts is driving the need for more housing.

City of Lyons**Award Amount: \$100,000**

The city is receiving a \$100,000 grant to complete a single family development started with MIH funds last year. The grant will provide homebuyer assistance for the purchase of four homes at a projected cost of \$147,000 for each home with financing provided by First Bank. The city will provide building lots, utility service line connections, energy code certification fees and will waive sales taxes, building permits and utility hook-up fees. Located in Rice County, Lyons has a population of 3,736, and has experienced solid job growth in several business sectors over the last ten years.

City of Plainville**Award Amount: \$362,000**

The city was approved for a \$362,000 grant that will support the development of six single family homes and two additional lots. The funding will be used to help demolish an old hospital, prepare the site for development and as down payment assistance for home buyers. Other funding is being provided by the developer, Ravason, LLC, the City of Plainville, and Rooks County. Plainville has a population of 1,903, with many of its employees are living outside the city and the county. Jobs are being lost, and available positions declined, because of a lack of adequate housing.

City of Sterling**Award Amount: \$198,000**

Located in a job growth area of Rice County, funding of \$198,000 is being provided for site acquisition and infrastructure improvement at three locations that will support the construction of 12 single family homes. The City will assist with funding and real estate tax rebates through the Neighborhood Revitalization Program. With a population of 2,326, Sterling is experiencing job growth at several local businesses including Jacam, Kansas Ethanol, and Cal Maine Foods. Sterling College is also experiencing job growth due to increased enrollment.

City of Wellsville**Award Amount: \$200,000**

A grant of \$200,000 will provide the homebuyer assistance of up to \$20,000 per home. Over the next 5 years, 10 homes will be developed in the price range of \$185,000 to \$220,000. The city will waive building permits and tap fees for each home. Mid-America Bank will provide financing for the construction and purchases of the homes. Located in Franklin County adjacent to I-35, the city, with a population of 1,850, has experienced a 14.9 percent population growth since 2000, and is located close to the Burlington Northern Railway/Intermodal Yard between Gardner and Edgerton.

TOTAL 2014 MIH AWARDS: \$2,100,000