



Lexington-Fayette Urban County Government
DIVISION OF GRANTS AND SPECIAL PROGRAMS

Jim Gray
Mayor

Sally Hamilton
CAO

**TO: JIM GRAY, MAYOR
URBAN COUNTY COUNCIL**

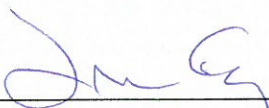
**FROM: IRENE GOODING, DIRECTOR
DIVISION OF GRANTS AND SPECIAL PROGRAMS**

DATE: June 19, 2015

SUBJECT: Request Council authorization to execute Memorandum of Agreement with Kentucky Housing Corporation for participation in Kentucky Housing Corporation's funding opportunities for the creation and preservation of affordable rental housing

Kentucky Housing Corporation (KHC) has proposed a partnership with the Lexington-Fayette Urban County Government for the creation and preservation of affordable rental housing, using KHC's tax exempt bond financing and KHC's gap financing from HOME and the Kentucky Affordable Housing Trust Fund. The memorandum of agreement provides for LFUCG to commit both a portion of its HOME Investment Partnerships Program funding and its Affordable Housing Trust Fund in an amount up to \$1 million as part of a joint application with KHC to finance affordable multifamily rental housing. MOA provides for KHC to issue a Notice of Funding Availability that includes both KHC and LFUCG funding. KHC will receive all applications and share applications with LFUCG Office of Affordable Housing and Division of Grants and Special Programs. While LFUCG and KHC will jointly review applications, local selection committees/staff will make decisions about conditional commitment of local HOME/AHTF dollars. KHC will handle the technical submission, with review for final commitment of funds being shared by both the state and local agencies. LFUCG will enter into written agreements for funds directly with project developers and/or owners. No LFUCG funds will flow through KHC.

Council authorization to execute the Memorandum of Agreement is hereby requested.



Irene Gooding, Director

Xc: Derek Paulsen, Commissioner of the Department of Planning, Preservation, and Development