



Kansas

Low Income Housing Preservation in 2010

Low Income Housing Tax Credits (9% Tax Credits)

Kansas's 2010 QAP offers 10 points for proposals that preserve existing affordable housing "that would be subject to foreclosure or default if tax credits were not available as indicates by deteriorating physical constitution, high vacancy rate, or poor financial performance." Up to 20 additional points are available for rehabilitating existing units that are structurally sound, energy efficient, and affordable. The amount of points offered in this category depends on the cost of rehabilitation. 5 points are available for rehabilitation costs between \$10,000 and \$15,000 per unit; 5 additional points are available for every additional \$5,000 per unit up to 20 points for costs in excess of \$25,000 per unit. 15 "bonus points" are awarded for each priority housing need that is met, preservation being one of these needs.

Kansas lists additional criteria for selecting properties for acquisition and rehabilitation credits. These include preferences for: developments with low acquisition to rehabilitation cost ratio, developments with low proposed rent increases, developments with no expected tenant displacement, developments with evidence that the private sector will not finance the acquisition and rehabilitation, developments under immediate threat of foreclosure and removal of existing tenants. All rehabilitation proposals must involve average rehabilitation costs of at least \$10,000 per unit.

Allocations (2003-2009)

Properties Preserved: 47

Apartments Preserved: 2,292

Additional Info: In 2007, 2008, and 2009, Kansas allocated over 30% of its 9% tax credit towards preservation projects.

Private Activity Bonds with 4% Tax Credits

All provisions shown in the QAP also apply to applications for Private Activity Bonds with annual 4% tax credits.

Allocations (2003-2007)

Properties Preserved: 7

Apartments Preserved: 911

Housing Trust Funds

Created by the Kansas Legislature in 1991, the State Housing Trust Fund (SHTF) provides funding for housing programs and related services. Since its inception, the SHTF has assisted in the rehabilitation and improvement of residential housing; provided accessibility modifications for disabled individuals; granted rental subsidies for low-income citizens; and addressed other housing needs for the State of Kansas. SHTF is administered by the Department of Commerce and Housing and is funded through bond and fee revenues and appropriations.

PLEASE NOTE: *Some of the information on housing trust funds included in this report was generously provided by the Center for Community Change (Housing Trust Fund Project).*

Green Multifamily Preservation Initiatives

Green Incentives in State Tax Credit Allocation Plan

Kansas' 2010 QAP awards 20 points for developments that provide an Energy star certification for at least one unit with all units built to the same specifications. For rehab developments, these 20 points are available if a HERS score of 85 or less is committed.

The 2010 QAP requires new construction developments to receive a Home Energy Rating System score of 100 according to the 2003 International Energy Conservation Code. Rehab developments are required to conduct an energy audit prior to preparation of the final work rehabilitation order. This audit will determine the feasibility of meeting the requirements of the International Energy Conservation Code (IECC) prior to the start of rehabilitation. If it is not feasible to meet the requirements of IECC, the rater will provide information indicating effective and cost-effective energy improvements that could be included as part of the project. Buildings that can be brought into compliance will be given priority for financing.

Other Green Incentives Relevant to Preservation

The Kansas Housing Resources Corporation (a subsidiary corporation of Kansas Development Finance Authority) administers the Weatherization Assistance Program. Kansas sets aside 25% of their allocation to weatherize LIHTC, Section 8, and Section 215 rural properties. Kansas Housing Resources Corp. has eliminated the requirement that multifamily owners make a financial contribution toward the weatherization costs. Other states are waiving the financial contribution requirement on a case-by-case basis if the owner can demonstrate hardship in paying the costs. For complete information on KS's weatherization program see: <http://www.waptac.org/grantee-contacts.aspx>.

Other incentives include a renewable energy property tax exemption, utility rebate and loan programs, tax credits for renewable energy systems, and an Energy Star appliance rebate program.

For additional information on green initiatives, visit www.aceee.org for more on policies related to energy efficiency or www.dsireusa.org for programs that may be available to developers to incentivize renewable energy or energy efficiency.

Sustainable Communities & Transit-Oriented Development Incentives

Kansas's 2010 QAP awards 20 points for developments involving housing as part of a community revitalization plan or community housing plan, including the adaptive re-use of historical buildings, and 10 points for projects located in qualified census tracts.

The QAP lists transportation/pedestrian (access) as a factor in the "site usability, accessibility and marketability" category.